

(7) "KEROSENE" "UNDYED" for kerosene for which the federal motor fuel excise tax has been paid;

(8) "KEROSENE" "DYED" for kerosene intended to be sold for use in off-road vehicles, heating equipment, and other off-road equipment; or

(9) "JET/TURBINE" for jet fuel or turbine fuel.

Sec. 8. [299F.014] ABOVEGROUND PETROLEUM STORAGE TANKS NOT USED FOR DISPENSING TO THE PUBLIC; TANK VEHICLES.

(a) Any rule of the commissioner of public safety that adopts provisions of the Uniform Fire Code relating to aboveground tanks for petroleum storage that are not used for dispensing to the public is superseded by Minnesota Rules, chapter 7151, in regard to: secondary containment, substance transfer areas, tank and piping standards, overfill protection, corrosion protection, leak detection, labeling, monitoring, maintenance, recordkeeping, and decommissioning. If Minnesota Rules, chapter 7151, does not address an issue relating to aboveground tanks for petroleum storage that are not used for dispensing to the public, any applicable provision of the Uniform Fire Code, 1997 Edition, shall apply.

(b) A motorized tank vehicle used to transport petroleum products may be parked within 500 feet of a residence if the vehicle is parked at an aboveground tank facility used for dispensing petroleum into cargo tanks for sale at another location.

Sec. 9. UNDERGROUND TANKS ON FARMS.

An owner or operator of a registered underground storage tank located on a farm in the state who fails to remove the underground storage tank in compliance with the requirements of Minnesota Rules, chapter 7150, before December 22, 2000, shall not be subject to any penalties under state law for failure to comply with the removal requirements of Minnesota Rules, chapter 7150, with regard to a tank located on a farm.

Sec. 10. EFFECTIVE DATE.

Sections 1 to 6 and 9 are effective the day following final enactment. Section 7 is effective June 1, 2000.

Presented to the governor May 21, 1999

Signed by the governor May 24, 1999, 10:05 a.m.

CHAPTER 204—H.F.No. 1235

VETOED

CHAPTER 205—H.F.No. 1467

An act relating to education; family and early childhood education; providing for children and family support programs, community and systems change, prevention and intervention, self-suffi-

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ciency and lifelong learning, and resources and referral programs; appropriating money; amending Minnesota Statutes 1998, sections 13.46, subdivision 2; 16B.405, subdivision 2; 119A.45; 119B.01, subdivisions 1, 2, 10, 12, 12a, 13, 16, 17, and by adding subdivisions; 119B.02, subdivision 1, and by adding subdivisions; 119B.03, subdivisions 1, 2, 3, 4, 6, and 9; 119B.04, subdivision 1; 119B.05, subdivision 1; 119B.06, subdivision 1; 119B.061; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.10, subdivision 1; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13; 119B.14; 119B.15; 119B.18, subdivision 3; 119B.19, subdivision 1, and by adding subdivisions; 119B.20, subdivisions 7, 8, 12, and by adding a subdivision; 119B.21, subdivisions 1, 2, 3, 5, 8, 9, 10, and 11; 119B.23, subdivision 1; 119B.24; 119B.25, subdivision 3; 121A.19; 122A.26, by adding a subdivision; 124D.13, subdivision 6; 124D.135, subdivisions 1 and 3; 124D.19, subdivision 11; 124D.20, subdivision 5; 124D.22; 124D.23, by adding a subdivision; 124D.33, subdivisions 3 and 4; 124D.52, by adding subdivisions; 124D.53, subdivision 3, and by adding a subdivision; 124D.54, subdivision 1; 125A.35, subdivision 5; 171.29, subdivision 2; 256.01, subdivision 4; 256.045, subdivisions 6, 7, and by adding a subdivision; 256.046, subdivision 1; 256.741, subdivision 4; 256.98, subdivisions 1, 7, and 8; 256.983, subdivisions 3 and 4; and 466.01, subdivision 1; Laws 1997, chapter 162, article 2, section 28, subdivision 6; Laws 1997, First Special Session chapter 4, article 1, section 61, subdivisions 2 and 3, as amended; Laws 1998, First Special Session chapter 1, article 1, sections 10, 11, and 12; proposing coding for new law in Minnesota Statutes, chapters 119B; and 124D; repealing Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; 119B.22; 124D.14; and 124D.53, subdivision 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

CHILDREN AND FAMILY SUPPORT PROGRAMS

Section 1. Minnesota Statutes 1998, section 13.46, subdivision 2, is amended to read:

Subd. 2. **GENERAL.** (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) according to section 13.05;
- (2) according to court order;
- (3) according to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

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(6) to administer federal funds or programs;

(7) between personnel of the welfare system working in the same program;

(8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names, social security numbers, income, addresses, and other data as required, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, early refund of refundable tax credits, and the income tax. "Refundable tax credits" means the dependent care credit under section 290.067, the Minnesota working family credit under section 290.0671, the property tax refund under section 290A.04, and, if the required federal waiver or waivers are granted, the federal earned income tax credit under section 32 of the Internal Revenue Code;

(9) between the department of human services, the department of children, families, and learning, and the ~~Minnesota~~ department of economic security for the purpose of monitoring the eligibility of the data subject for reemployment insurance, for any employment or training program administered, supervised, or certified by that agency, for the purpose of administering any rehabilitation program or child care assistance program, whether alone or in conjunction with the welfare system, or to monitor and evaluate the statewide Minnesota family investment program by exchanging data on recipients and former recipients of food stamps, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential programs as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state according to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education services office to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);

(14) participant social security numbers and names collected by the telephone assistance program may be disclosed to the department of revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a recipient of aid to families with dependent children or Minnesota family investment program—statewide program participant may be disclosed to law enforcement officers who provide the name of the recipient participant and notify the agency that:

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(i) the recipient participant:

(A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony under the laws of the jurisdiction from which the individual is fleeing; or

(B) is violating a condition of probation or parole imposed under state or federal law;

(ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and

(iii) the request is made in writing and in the proper exercise of those duties;

(16) the current address of a recipient of general assistance or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient and to law enforcement officers who are investigating the recipient in connection with a felony level offense;

(17) information obtained from food stamp applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act, according to Code of Federal Regulations, title 7, section 272.1(c);

(18) the address, social security number, and, if available, photograph of any member of a household receiving food stamps shall be made available, on request, to a local, state, or federal law enforcement officer if the officer furnishes the agency with the name of the member and notifies the agency that:

(i) the member:

(A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

(B) is violating a condition of probation or parole imposed under state or federal law; or

(C) has information that is necessary for the officer to conduct an official duty related to conduct described in subitem (A) or (B);

(ii) locating or apprehending the member is within the officer's official duties; and

(iii) the request is made in writing and in the proper exercise of the officer's official duty;

(19) certain information regarding child support obligors who are in arrears may be made public according to section 518.575;

(20) data on child support payments made by a child support obligor and data on the distribution of those payments excluding identifying information on obligees may be disclosed to all obligees to whom the obligor owes support, and data on the enforcement actions undertaken by the public authority, the status of those actions, and data on the income of the obligor or obligee may be disclosed to the other party;

(21) data in the work reporting system may be disclosed under section 256.998, subdivision 7;

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(22) to the department of children, families, and learning for the purpose of matching department of children, families, and learning student data with public assistance data to determine students eligible for free and reduced price meals, meal supplements, and free milk according to United States Code, title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to produce accurate numbers of students receiving aid to ~~families with dependent children~~ or Minnesota family investment program ~~statewide program assistance as required by section 126C.06~~; to allocate federal and state funds that are distributed based on income of the student's family; and to verify receipt of energy assistance for the telephone assistance plan;

(23) the current address and telephone number of program recipients and emergency contacts may be released to the commissioner of health or a local board of health as defined in section 145A.02, subdivision 2, when the commissioner or local board of health has reason to believe that a program recipient is a disease case, carrier, suspect case, or at risk of illness, and the data are necessary to locate the person;

(24) to other state agencies, statewide systems, and political subdivisions of this state, including the attorney general, and agencies of other states, interstate information networks, federal agencies, and other entities as required by federal regulation or law for the administration of the child support enforcement program;

(25) to personnel of public assistance programs as defined in section 256.741, for access to the child support system database for the purpose of administration, including monitoring and evaluation of those public assistance programs; or

(26) to monitor and evaluate the statewide Minnesota family investment program by exchanging data between the departments of human services and children, families, and learning, on recipients and former recipients of food stamps, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L.

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed according to the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16), (17), or (18), or paragraph (b), are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 2. Minnesota Statutes 1998, section 119A.45, is amended to read:

119A.45 EARLY CHILDHOOD LEARNING AND CHILD PROTECTION FACILITIES.

The commissioner may make grants to state agencies and political subdivisions to construct or rehabilitate facilities for ~~Head Start, early childhood and family education programs, other early childhood intervention programs, or demonstration family service centers housing multiagency collaboratives~~ early childhood programs, with priority to centers in counties or municipalities with the highest number of children living in pover-

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ty. The commissioner may also make grants to state agencies and political subdivisions to construct or rehabilitate facilities for crisis nurseries or child visitation centers. The facilities must be owned by the state or a political subdivision, but may be leased under section 16A.695 to organizations that operate the programs. The commissioner must prescribe the terms and conditions of the leases. A grant for an individual facility must not exceed \$200,000 for each program that is housed in the facility, up to a maximum of \$500,000 for a facility that houses three programs or more. Programs include Head Start, early childhood and family education programs, and other early childhood intervention programs. The commissioner must give priority to grants that involve collaboration among sponsors of programs under this section. At least 25 percent of the amounts appropriated for these grants must be used in conjunction with the youth employment and training programs operated by the commissioner of economic security. Eligible programs must consult with appropriate labor organizations to deliver education and training.

Sec. 3. Minnesota Statutes 1998, section 119B.01, subdivision 2, is amended to read:

Subd. 2. **APPLICANT.** "Child care fund applicants" means all parents, stepparents, legal guardians, or eligible relative ~~caretakers~~ caregivers who are members of the family and reside in the household that applies for child care assistance under the child care fund.

Sec. 4. Minnesota Statutes 1998, section 119B.01, is amended by adding a subdivision to read:

Subd. 2a. **APPLICATION.** "Application" means the submission to a county agency, by or on behalf of a family, of a completed, signed, and dated child care assistance universal application form that indicates the family's desire to receive assistance.

Sec. 5. Minnesota Statutes 1998, section 119B.01, subdivision 10, is amended to read:

Subd. 10. **FAMILY.** "Family" means parents, stepparents, guardians and their spouses, or other eligible relative ~~caretakers~~ caregivers and their spouses, and their blood related dependent children and adoptive siblings under the age of 18 years living in the same home including children temporarily absent from the household in settings such as schools, foster care, and residential treatment facilities or parents, stepparents, guardians and their spouses, or other relative caregivers and their spouses temporarily absent from the household in settings such as schools, military service, or rehabilitation programs. When a minor parent or parents and his, her, or their child or children are living with other relatives, and the minor parent or parents apply for a child care subsidy, "family" means only the minor parent or parents and the their child or children. An adult may be considered a dependent member of the family unit if 50 percent of the adult's support is being provided by the parents, stepparents, guardians and their spouses, or eligible relative caretakers and their spouses, residing in the same household. An adult age 18 or older who meets this definition of family and is a full-time high school or post-secondary student and can reasonably be expected to graduate before age 19 may be considered a dependent member of the family unit if 50 percent or more of the adult's support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same household.

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Sec. 6. Minnesota Statutes 1998, section 119B.01, subdivision 12, is amended to read:

Subd. 12. **INCOME.** "Income" means earned or unearned income received by all family members, including public assistance cash benefits and at-home infant care subsidy payments, unless specifically excluded. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs or reimbursement for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; state and federal earned income tax credits; in-kind income such as food stamps, energy assistance, foster care assistance, medical assistance, child care assistance, and housing subsidies; earned income of full or part-time secondary school students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma including earnings from summer employment; grant awards under the family subsidy program; nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.74 or 256.741, if enacted.

Sec. 7. Minnesota Statutes 1998, section 119B.01, subdivision 12a, is amended to read:

Subd. 12a. ~~MFIP-S MFIP.~~ "MFIP-S" "MFIP" means the Minnesota family investment program ~~statewide program, the state's TANF program under Public Law Number 104-193, Title I, and includes the MFIP program under chapter 256J, the work first program under chapter 256K, and tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2.~~

Sec. 8. Minnesota Statutes 1998, section 119B.01, subdivision 13, is amended to read:

Subd. 13. **PROVIDER.** "Provider" means a child care license holder who operates a family day child care home, a group family day child care home, a day child care center, a nursery school, a day nursery, an extended day school age child care program; a legal nonlicensed extended day license-exempt school age child care program which operates operating under the auspices of a local school board or a park or recreation board of a city of the first class that has adopted school age child care standards guidelines which meet or exceed standards guidelines recommended by the state department of children, families, and learning, or a legal nonlicensed caregiver registered provider who is at least 18 years of age, and who is not a member of the AFDC MFIP assistance unit or a member of the family receiving child care assistance under this chapter.

Sec. 9. Minnesota Statutes 1998, section 119B.01, subdivision 16, is amended to read:

Subd. 16. **TRANSITION YEAR FAMILIES.** "Transition year families" means families who have received AFDC MFIP assistance, or who were eligible to receive AFDC MFIP assistance after choosing to discontinue receipt of the cash portion of MFIP-S MFIP assistance under section 256J.31, subdivision 12, for at least three of the last six months before losing eligibility for AFDC MFIP due to increased hours of employment, or increased income from employment or child or spousal support or families

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participating in work first under chapter 256K who meet the requirements of section 256K.07. Transition year child care may be used to support employment or job search.

Sec. 10. Minnesota Statutes 1998, section 119B.01, subdivision 17, is amended to read:

Subd. 17. **CHILD CARE FUND.** "Child care fund" means a program under this chapter providing:

(1) financial assistance for child care to parents engaged in employment or the short-term provision of at-home infant care for their own child, job search, or education and training leading to employment, or an at-home infant care subsidy; and

(2) grants to develop, expand, and improve the access and availability of child care services statewide.

Sec. 11. Minnesota Statutes 1998, section 119B.02, subdivision 1, is amended to read:

Subdivision 1. **CHILD CARE SERVICES.** The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The rules shall provide that funds received as a lump sum payment of child support arrearages shall not be counted as income to a family in the month received but shall be prorated over the 12 months following receipt and added to the family income during those months. In the rules adopted under this section, county and human services boards shall be authorized to establish policies for payment of child care spaces for absent children, when the payment is required by the child's regular provider. The rules shall not set a maximum number of days for which absence payments can be made, but instead shall direct the county agency to set limits and pay for absences according to the prevailing market practice in the county. County policies for payment of absences shall be subject to the approval of the commissioner. The commissioner shall maximize the use of federal money in section 256.736 under Public Law Number 104-193, titles I and VI, and other programs that provide federal or state reimbursement for child care services for low-income families who are in education, training, job search, or other activities allowed under those programs. Money appropriated under this section must be coordinated with the programs that provide federal reimbursement for child care services to accomplish this purpose. The commissioner shall allocate federal reimbursement obtained must be allocated to the county to counties that spent money for child care that is federally reimbursable under programs that provide federal reimbursement for federally reimbursable child care services. The counties shall use the federal money to expand child care services. The commissioner may adopt rules under chapter 14 to implement and coordinate federal program requirements.

Sec. 12. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 3. **SUPERVISION OF COUNTIES.** The commissioner shall supervise child care programs administered by the counties through standard-setting, technical as-

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sistance to the counties, approval of county child care fund plans, and distribution of public money for services. The commissioner shall provide training and other support services to assist counties in planning for and implementing child care assistance programs. The commissioner shall adopt rules under chapter 14 that establish minimum administrative standards for the provision of child care services by county boards of commissioners.

Sec. 13. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 4. UNIVERSAL APPLICATION FORM. The commissioner must develop and make available to all counties a universal application form for child care assistance under this chapter. The application must provide notice of eligibility requirements for assistance and penalties for wrongfully obtaining assistance.

Sec. 14. Minnesota Statutes 1998, section 119B.02, is amended by adding a subdivision to read:

Subd. 5. PROGRAM INTEGRITY. For child care assistance programs under this chapter, the commissioner shall enforce, in cooperation with the commissioner of human services, the requirements for program integrity and fraud prevention investigations under sections 256.046, 256.98, and 256.983.

Sec. 15. Minnesota Statutes 1998, section 119B.03, subdivision 1, is amended to read:

Subdivision 1. ALLOCATION PERIOD; NOTICE OF ALLOCATION. When the commissioner notifies county and human service boards of the forms and instructions they are to follow in the development of their biennial community social services child care fund plans required under section ~~256E.08~~ 119B.08, subdivision 3, the commissioner shall also notify county and human services boards of their estimated child care fund program allocation for the two years covered by the plan. By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Sec. 16. Minnesota Statutes 1998, section 119B.03, subdivision 2, is amended to read:

Subd. 2. WAITING LIST. Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a cursory preliminary determination of eligibility when a family requests information about child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. When money is available counties shall expedite the processing of student applications during key enrollment periods. Counties must review and update their waiting list at least every six months.

Sec. 17. Minnesota Statutes 1998, section 119B.03, subdivision 3, is amended to read:

Subd. 3. ELIGIBLE RECIPIENTS PARTICIPANTS. Families that meet the eligibility requirements under sections 119B.07, 119B.09, and 119B.10, except AFDC re-

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ipients, MFIP recipients participants, work first participants, and transition year families, and 119B.10 are eligible for child care assistance under the basic sliding fee program. Families enrolled in the basic sliding fee program shall be continued until they are no longer eligible. Child care assistance provided through the child care fund is considered assistance to the parent.

Sec. 18. Minnesota Statutes 1998, section 119B.03, subdivision 4, is amended to read:

Subd. 4. **FUNDING PRIORITY.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible ~~non-AFDC non-MFIP~~ families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their ~~AFDC MFIP~~ or work first transition year.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

Sec. 19. Minnesota Statutes 1998, section 119B.03, subdivision 6, is amended to read:

Subd. 6. **ALLOCATION FORMULA.** ~~Beginning January 1, 1996, except as provided in subdivision 7, The basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:~~

(a) ~~One-third One-fourth~~ of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent ~~calendar~~ fiscal year completed at the time of the notice of allocation.

(b) ~~One-third One-fourth~~ of the funds shall be allocated based on the number of children under age ~~13~~ in each county who are enrolled in ~~general assistance medical care, medical assistance, and MinnesotaCare on December 31 of the most recent calendar year~~ families participating in the transition year child care program as reported during the most recent quarter completed at the time of the notice of allocation.

(c) ~~One-third One-fourth~~ of the funds shall be allocated based on the number of children under age ~~13~~ who reside in each county, from the most recent estimates of the state demographer in proportion to each county's most recently reported first, second, and third priority waiting list as defined in subdivision 2.

(d) One-fourth of the funds must be allocated in proportion to each county's most recently reported waiting list as defined in subdivision 2.

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Sec. 20. Minnesota Statutes 1998, section 119B.03, subdivision 9, is amended to read:

Subd. 9. **PORTABILITY POOL.** (a) The commissioner shall establish a pool of up to five percent of the annual appropriation for the basic sliding fee program to provide continuous child care assistance for eligible families who move between Minnesota counties. At the end of each allocation period, any unspent funds in the portability pool must be added to the funds available for reallocation used for assistance under the basic sliding fee program. If expenditures from the portability pool exceed the amount of money available, the reallocation pool must be reduced to cover these shortages.

(b) To be eligible for portable basic sliding fee assistance, a family that has moved from a county in which it was receiving basic sliding fee assistance to a county with a waiting list for the basic sliding fee program must:

(1) meet the income and eligibility guidelines for the basic sliding fee program; and

(2) notify the new county of residence within 30 days of moving and apply for basic sliding fee assistance in the new county of residence.

(c) The receiving county must:

(1) accept administrative responsibility for applicants for portable basic sliding fee assistance at the end of the two months of assistance under the Unitary Residency act;

(2) continue basic sliding fee assistance for the lesser of six months or until the family is able to receive assistance under the county's regular basic sliding program; and

(3) notify the commissioner through the quarterly reporting process of any family that meets the criteria of the portable basic sliding fee assistance pool.

Sec. 21. Minnesota Statutes 1998, section 119B.04, subdivision 1, is amended to read:

Subdivision 1. **COMMISSIONER TO ADMINISTER PROGRAM.** The commissioner of ~~children, families, and learning~~ is authorized and directed to receive, administer, and expend funds available under the child care and development fund under Public Law Number 104-193, Title I VI.

Sec. 22. Minnesota Statutes 1998, section 119B.05, subdivision 1, is amended to read:

Subdivision 1. **ELIGIBLE RECIPIENTS PARTICIPANTS.** Families eligible for child care assistance under the ~~AFDC MFIP~~ child care program are:

(1) ~~persons receiving services under sections 256.031 to 256.0361 and 256.047 to 256.048;~~

(2) ~~AFDC recipients MFIP participants~~ who are employed or in job search and meet the requirements of section 119B.10;

(3) ~~(2) persons who are members of transition year families under section 119B.01, subdivision 16;~~

(4) ~~members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation;~~

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(5) ~~AFDC caretakers who are participating in the STRIDE and non-STRIDE AFDC child care program;~~

(6) (3) families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K; and

(7) ~~MFIP-~~§ (4) MFIP families who are participating in work activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J. Child care assistance to support work activities as described in section 256J.49 must be available according to sections ~~119A.54~~, 119B.01, subdivision 8, 124D.13, 256E.08, and 611A.32 and titles IVA, IVB, IVE, and XX of the Social Security Act; and

(5) families who are participating in programs as required in tribal contracts under section 119B.02, subdivision 2, or 256.01, subdivision 2.

Sec. 23. Minnesota Statutes 1998, section 119B.06, subdivision 1, is amended to read:

Subdivision 1. **COMMISSIONER TO ADMINISTER BLOCK GRANT.** The commissioner of children, families, and learning is authorized and directed to receive, administer, and expend child care funds available under the child care and development block grant authorized under Public Law Number 101-508 (2).

Sec. 24. Minnesota Statutes 1998, section 119B.061, is amended to read:

119B.061 **AT-HOME INFANT CHILD CARE PROGRAM.**

Subdivision 1. **ESTABLISHMENT.** ~~Beginning July 1, 1998, A family receiving or eligible to receive assistance under the basic sliding fee program is eligible for in which a parent provides care for the family's infant child may receive a subsidy in lieu of assistance for a parent to provide short-term child care for the family's infant child if the family is eligible for, or is receiving assistance under the basic sliding fee program. An eligible family must meet the eligibility factors under section 119B.09, the income criteria under section 119B.12, and the requirements of this section. Subject to federal match and maintenance of effort requirements for the child care and development fund, the commissioner shall establish a pool of up to seven percent of the annual appropriation for the basic sliding fee program to provide assistance under the at-home infant child care program. At the end of the a fiscal year, the commissioner may carry forward any unspent funds must be used under this section to the next fiscal year within the same biennium for assistance under the basic sliding fee program.~~

Subd. 2. **ELIGIBLE FAMILIES.** A family with an infant under the age of one year is eligible for assistance if:

(1) the family is not receiving ~~MFIP-~~§ MFIP, other cash assistance, or other child care assistance;

(2) the family has not previously received all of the one-year exemption from the work requirement for infant care under the ~~MFIP-~~§ MFIP program;

(3) the family has not previously received a life-long total of 12 months of assistance under this section; and

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(4) the family is participating in the basic sliding fee program or, ~~for the first child in a family, provides verification of employment participation in an authorized activity at the time of application and meets the program requirements.~~

Subd. 3. **ELIGIBLE PARENT.** ~~Only~~ A family is eligible for assistance under this section if one parent, in a two-parent family, is eligible for assistance cares for the family's infant child. The eligible parent must:

(1) be over the age of 18;

(2) ~~provide care for the infant full-time care for the child in the child's infant's home; and~~

(3) ~~provide child care for any other children in the family that who are eligible for child care assistance under this chapter.~~

For the purposes of this section, "parent" means birth parent, adoptive parent, or stepparent.

Subd. 4. **ASSISTANCE.** (a) A family is limited to a lifetime total of 12 months of assistance under this section. The maximum rate of assistance ~~must be at is equal to 75 percent of the rate established under section 119B.13 for care of infants in licensed family day child care in the applicant's county of residence. Assistance must be calculated to reflect the copay parent fee requirement and under section 119B.12 for the family's income level and family size.~~

(b) A participating family must ~~continue to report income and other family changes as specified in the county's plan under section 119B.08, subdivision 3. The family must treat any assistance received under this section as unearned income.~~

(c) ~~Participation in the at-home infant child care program must be considered participation in the basic sliding fee program for purposes of continuing eligibility under section 119B.03, subdivision 3. Persons who are admitted to the at-home infant care program retain their position in any basic sliding fee program or on any waiting list attained at the time of admittance. If they are on the waiting list, they must advance as if they had not been admitted to the program. Persons leaving the at-home infant care program re-enter the basic sliding fee program at the position they would have occupied or the waiting list at the position to which they would have advanced. Persons who would have attained eligibility for the basic sliding fee program must be given assistance or advance to the top of the waiting list when they leave the at-home infant care program. Persons admitted to the at-home infant care program who are not on a basic sliding fee waiting list may apply to the basic sliding fee program, and if eligible, be placed on the waiting list.~~

(d) ~~The time that a family that receives assistance under this section is ineligible for must be deducted from the one-year exemption from work requirements under the MFIP-S MFIP program.~~

(e) ~~Assistance under this section does not establish an employer-employee relationship between any member of the assisted family and the county or state.~~

Subd. 5. **IMPLEMENTATION.** By July 1, 1998, (a) The commissioner shall implement the at-home infant child care program under this section through counties that administer the basic sliding fee program under section 119B.03. The commissioner must

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develop and distribute consumer information on the at-home infant care program to assist parents of infants or expectant parents in making informed child care decisions.

(b) The commissioner shall evaluate this program and report the impact to the legislature by January 1, 2000. The evaluation must include data on the number of families participating in the program; the number of families continuing to pursue employment or education while participating in the program; the average income of families prior to, during, and after participation in the program; family size; and single parent and two-parent status.

Sec. 25. Minnesota Statutes 1998, section 119B.07, is amended to read:

119B.07 USE OF MONEY.

Money for persons listed in sections 119B.03, subdivision 3, and 119B.05, subdivision 1, shall be used to reduce the costs of child care for students, including the costs of child care for students while employed if enrolled in an eligible education program at the same time and making satisfactory progress towards completion of the program. Counties may not limit the duration of child care subsidies for a person in an employment or educational program, except when the person is found to be ineligible under the child care fund eligibility standards. Any limitation must be based on a person's employability employment plan in the case of an AFDC recipient MFIP participant, and county policies included in the child care allocation fund plan. The maximum length of time a student is eligible for child care assistance under the child care fund for education and training is no more than the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution, excluding basic or remedial education programs needed to prepare for post-secondary education or employment. To be eligible, the student must be in good standing and be making satisfactory progress toward the degree. Time limitations for child care assistance do not apply to basic or remedial educational programs needed to prepare for post-secondary education or employment. These programs include: high school, general equivalency diploma, and English as a second language. Programs exempt from this time limit must not run concurrently with a post-secondary program. High school students who are participating in a post-secondary options program and who receive a high school diploma issued by the school district are exempt from the time limitations while pursuing a high school diploma. Financially eligible students who have received child care assistance for one academic year shall be provided child care assistance in the following academic year if funds allocated under sections 119B.03 and 119B.05 are available. If an AFDC recipient MFIP participant who is receiving AFDC MFIP child care assistance under this chapter moves to another county, continues to participate in educational or training programs authorized in their employability development employment plans, and continues to be eligible for AFDC MFIP child care assistance under this chapter, the AFDC caretaker MFIP participant must receive continued child care assistance from the county responsible for their current employability development employment plan, without interruption under section 256G.07.

Sec. 26. [119B.074] SPECIAL REVENUE ACCOUNT FOR CHILD CARE.

A child support collection account is established in the special revenue fund for the deposit of collections through the assignment of child support under section 256.741, subdivision 2. The commissioner of human services must deposit all collections made

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under section 256.741, subdivision 2, in the child support collection account. Money in this account is appropriated to the commissioner for assistance under section 119B.03 and is in addition to other state and federal appropriations.

Sec. 27. Minnesota Statutes 1998, section 119B.08, subdivision 3, is amended to read:

Subd. 3. **CHILD CARE FUND PLAN.** Effective January 1, 1992, the county will include the plan required under this subdivision in its biennial community social services plan required in this section, for the group described in section 256E.03, subdivision 2, paragraph (h). The commissioner shall establish the dates by which the county must submit these plans. The county and designated administering agency shall submit to the commissioner an annual child care fund allocation plan in its biennial community social services plan. The commissioner shall establish the dates by which the county must submit the plans. The plan shall include:

- (1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;
- (2) the methods used by the county to inform eligible groups families of the availability of child care assistance and related services;
- (3) the provider rates paid for all children with special needs by provider type;
- (4) the county prioritization policy for all eligible groups families under the basic sliding fee program and AFDC child care program; and
- (5) other information as requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within 60 days of the date the plan is submitted whether the plan is approved or the corrections or information needed to approve the plan. The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Sec. 28. Minnesota Statutes 1998, section 119B.09, subdivision 1, is amended to read:

Subdivision 1. **GENERAL ELIGIBILITY REQUIREMENTS FOR ALL APPLICANTS FOR CHILD CARE ASSISTANCE.** (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

- (1) meet the requirements of section 119B.05; receive aid to families with dependent children, MFIP-S, or work first, whichever is in effect MFIP assistance; and are receiving participating in employment and training services under section 256.736 or chapter 256J or 256K;
- (2) have household income below the eligibility levels for aid to families with dependent children MFIP; or

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(3) have household income within a range established by the commissioner.

(b) ~~Child care services for the families receiving aid to families with dependent children must be made available as in-kind services, to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program. Child care services to families whose incomes are below the threshold of eligibility for aid to families with dependent children, but are not AFDC caretakers, must be made available with the same copayment required of AFDC caretakers or MFIP-S caregivers.~~

(c) All applicants for child care assistance and families currently receiving child care assistance must be assisted and required to cooperate in establishment of paternity and enforcement of child support obligations for all children in the family as a condition of program eligibility. For purposes of this section, a family is considered to meet the requirement for cooperation when the family complies with the requirements of section 256.741, if enacted.

Sec. 29. Minnesota Statutes 1998, section 119B.09, subdivision 3, is amended to read:

Subd. 3. **PRIORITIES; ALLOCATIONS.** If a county projects that its child care allocation is insufficient to meet the needs of all eligible groups families, it may prioritize among the groups families that remain to be served after the county has complied with the priority requirements of section 119B.03. Counties that have established a priority for non-AFDC families who are not MFIP participants beyond those established under section 119B.03 must submit the policy in the annual allocation child care fund plan.

Sec. 30. Minnesota Statutes 1998, section 119B.09, subdivision 7, is amended to read:

Subd. 7. **DATE OF ELIGIBILITY FOR ASSISTANCE.** The date of eligibility for child care assistance under this chapter is the later of the date the application was signed; the beginning date of employment, education, or training; or the date a determination has been made that the applicant is a participant in employment and training services under Minnesota Rules, part 3400.0080, subpart 2a, ~~section 256.736~~, or chapter 256J or 256K. The date of eligibility for the basic sliding fee at-home infant child care program is the later of the date the infant is born or, in a county with a basic sliding fee wait waiting list, the date the family applies for at-home infant child care. Payment ceases for a family under the at-home infant child care program when a family has used a total of 12 months of assistance as specified under section 119B.061. Payment of child care assistance for employed persons on AFDC MFIP is effective the date of employment or the date of AFDC MFIP eligibility, whichever is later. Payment of child care assistance for MFIP-S MFIP or work first participants in employment and training services is effective the date of commencement of the services or the date of MFIP-S MFIP or work first eligibility, whichever is later. Payment of child care assistance for transition year child care must be made retroactive to the date of eligibility for transition year child care.

Sec. 31. Minnesota Statutes 1998, section 119B.10, subdivision 1, is amended to read:

Subdivision 1. **ASSISTANCE FOR PERSONS SEEKING AND RETAINING EMPLOYMENT.** (a) Persons who are seeking employment and who are eligible for as-

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sistance under this section are eligible to receive up to 240 hours of child care assistance per calendar year.

(b) Employed persons who work at least an average of 20 hours and full-time students who work at least an average of ten hours a week and receive at least a minimum wage for all hours worked are eligible for continued child care assistance for employment. For purposes of this section, work-study programs must be counted as employment. Child care assistance during employment must be authorized as provided in paragraphs (c) and (d).

(c) When the caregiver person works for an hourly wage and the hourly wage is equal to or greater than the applicable minimum wage, child care assistance shall be provided for the actual hours of employment, break, and mealtime during the employment and travel time up to two hours per day.

(d) When the caregiver person does not work for an hourly wage, child care assistance must be provided for the lesser of:

(1) the amount of child care determined by dividing gross earned income by the applicable minimum wage, up to one hour every eight hours for meals and break time, plus up to two hours per day for travel time; or

(2) the amount of child care equal to the actual amount of child care used during employment, including break and mealtime during employment, and travel time up to two hours per day.

Sec. 32. Minnesota Statutes 1998, section 119B.11, subdivision 2a, is amended to read:

Subd. 2a. **RECOVERY OF OVERPAYMENTS.** An amount of child care assistance paid to a recipient in excess of the payment due is recoverable by the county agency. If the family remains eligible for child care assistance, the overpayment must be recovered through recoupment as identified in Minnesota Rules, part 9565.5110, subpart 11, items A and B, if the family remains eligible for assistance 3400.0140, subpart 19. If the family no longer remains eligible for child care assistance, the county may choose to initiate efforts to recover overpayments from the family for overpayment less than \$50. If the overpayment is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment from the family. If the county is unable to recoup the overpayment through voluntary repayment, the county shall initiate civil court proceedings to recover the overpayment unless the county's costs to recover the overpayment will exceed the amount of the overpayment. A family with an outstanding debt under this subdivision is not eligible for child care assistance until: (1) the debt is paid in full; or (2) satisfactory arrangements are made with the county to retire the debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400, and the family is in compliance with the arrangements.

Sec. 33. Minnesota Statutes 1998, section 119B.12, subdivision 2, is amended to read:

Subd. 2. **PARENT FEE.** A family's monthly parent fee must be a fixed percentage of its annual gross income. Parent fees must apply to families eligible for child care assistance under sections 119B.03 and 119B.05. Income must be as defined in section 119B.01, subdivision 12. The fixed percent is based on the relationship of the family's

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annual gross income to 100 percent of state median income. Beginning January 1, 1998, parent fees must begin at 75 percent of the poverty level. The minimum parent fees for families between 75 percent and 100 percent of poverty level must be \$5 per month. ~~Parent fees for families with incomes at or above the poverty level must not decrease due to the addition of family members after the family's initial eligibility determination.~~ Parent fees must be established in rule and must provide for graduated movement to full payment.

Sec. 34. Minnesota Statutes 1998, section 119B.13, is amended to read:

119B.13 CHILD CARE RATES.

Subdivision 1. **SUBSIDY RESTRICTIONS.** ~~Effective July 1, 1991,~~ The maximum rate paid for child care assistance under the child care fund is ~~the maximum rate eligible for federal reimbursement.~~ The rate may not exceed the 75th percentile rate for like-care arrangements in the county as surveyed by the commissioner. A rate which includes a provider bonus paid under subdivision 2 or a special needs rate paid under subdivision 3 may be in excess of the maximum rate allowed under this subdivision. The department of children, families, and learning shall monitor the effect of this paragraph on provider rates. The county shall pay the provider's full charges for every child in care up to the maximum established. The commissioner shall determine the maximum rate for each type of care, including special needs and handicapped care. Not less than once every two years, the county commissioner shall evaluate rates market practices for payment of absent spaces absences and shall establish policies for payment of absent days that reflect current market practice.

When the provider charge is greater than the maximum provider rate allowed, the parent is responsible for payment of the difference in the rates in addition to any family copayment fee.

Subd. 2. **PROVIDER RATE BONUS FOR ACCREDITATION.** ~~Currently accredited child care centers shall be paid a ten percent bonus above the maximum rate established in subdivision 1, up to the actual provider rate.~~ A family day child care provider or child care center shall be paid a ten percent bonus above the maximum rate established in subdivision 1, if the provider or center holds a current early childhood development credential approved by the commissioner, up to the actual provider rate. ~~For purposes of this subdivision, "accredited" means accredited by the National Association for the Education of Young Children.~~

Subd. 3. **PROVIDER RATE FOR CARE OF CHILDREN WITH HANDICAPS OR SPECIAL NEEDS.** Counties shall reimburse providers for the care of children with handicaps or special needs, at a special rate to be set approved by the county for care of these children, subject to the approval of the commissioner.

Subd. 4. **RATES CHARGED TO PUBLICLY SUBSIDIZED FAMILIES.** Child care providers receiving reimbursement under this chapter may not charge a rate to clients receiving assistance under this chapter that is higher than the private, full-paying client rate.

Subd. 5. **PROVIDER NOTICE.** The county shall inform both the family receiving assistance under this chapter and the child care provider of the payment amount and how and when payment will be received. If the county sends a family a notice that child care

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assistance will be terminated, the county shall inform the provider that unless the family requests to continue to receive assistance pending an appeal, child care payments will no longer be made. The notice to the ~~vendor~~ provider must not contain any private data on the family or information on why payment will no longer be made.

Subd. 6. PROVIDER PAYMENTS. Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses. If payments for child care assistance are made to providers, the provider shall bill the county for services provided within ten days of the end of the month of service. If bills are submitted in accordance with the provisions of this subdivision, a county shall issue payment to the provider of child care under the child care fund within 30 days of receiving an invoice from the provider. Counties may establish policies that make payments on a more frequent basis. A county's payment policies must be included in the county's child care plan under section 119B.08, subdivision 3.

Sec. 35. Minnesota Statutes 1998, section 119B.14, is amended to read:

119B.14 EXTENSION OF EMPLOYMENT OPPORTUNITIES.

The county board shall ~~insure~~ ensure that child care services available to eligible residents are well advertised and that everyone who receives or applies for aid to families with dependent children MFIP assistance is informed of training and employment opportunities and programs, including child care assistance and child care resource and referral services.

Sec. 36. Minnesota Statutes 1998, section 119B.15, is amended to read:

119B.15 ADMINISTRATIVE EXPENSES.

The commissioner shall use up to 1/21 of the state and federal funds available for the basic sliding fee program and 1/21 of the state and federal funds available for the ~~AFDC~~ MFIP child care program for payments to counties for administrative expenses.

Sec. 37. Minnesota Statutes 1998, section 119B.18, subdivision 3, is amended to read:

Subd. 3. CHILD DEVELOPMENT EDUCATION AND TRAINING LOANS. The commissioner shall establish a child development education and training loan program to be administered by the regional child care resource and referral programs. The commissioner shall establish application procedures, eligibility criteria, terms, and other conditions necessary to make educational loans under this section. A single applicant may not receive more than \$1,500 per year under this program. All or part of the loan may be forgiven if the applicant continues to provide child care services for a period of ~~12~~ 24 months following the completion of all courses paid for by the educational loan.

Sec. 38. Minnesota Statutes 1998, section 119B.24, is amended to read:

119B.24 DUTIES OF COMMISSIONER.

In addition to the powers and duties already conferred by law, the commissioner of children, families, and learning shall:

(1) by ~~September 1, 1998, and every five years thereafter,~~ survey and report on all components of the child care system, including, but not limited to, availability of licensed

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child care slots, the number of children in various kinds of child care settings, staff wages, rate of staff turnover, qualifications of child care workers, cost of child care by type of service and ages of children, and child care availability through school systems;

(2) by September 1, 1998, and every five years thereafter, survey and report on the extent to which existing child care services fulfill the need for child care, giving particular attention to the need for part-time care and for care of infants, sick children, children with special needs, low-income children, toddlers, and school-age children;

(3) administer the child care fund, including the basic sliding fee program authorized under sections 119B.01 to 119B.16;

(4) (2) monitor the child care resource and referral programs established under section 119B.19; and

(5) (3) encourage child care providers to participate in a nationally recognized accreditation system for early childhood programs. The commissioner shall reimburse licensed child care providers for one-half of the direct cost of accreditation fees, upon successful completion of accreditation.

Sec. 39. Minnesota Statutes 1998, section 119B.25, subdivision 3, is amended to read:

Subd. 3. **FINANCING PROGRAM.** A nonprofit corporation that receives a grant under this section shall use the money to:

(1) establish a revolving loan fund to make loans to existing, expanding, and new licensed and legal unlicensed child care and early childhood education sites;

(2) establish a fund to guarantee private loans to improve or construct a child care or early childhood education site;

(3) establish a fund to provide forgivable loans or grants to match all or part of a loan made under this section; and

(4) establish a fund as a reserve against bad debt; and

(5) establish a fund to provide business planning assistance for child care providers.

The nonprofit corporation shall establish the terms and conditions for loans and loan guarantees including, but not limited to, interest rates, repayment agreements, private match requirements, and conditions for loan forgiveness. The nonprofit corporation shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered. The nonprofit corporation may use interest earnings for administrative expenses.

Sec. 40. Minnesota Statutes 1998, section 121A.19, is amended to read:

121A.19 DEVELOPMENTAL SCREENING AID.

Each school year, the state must pay a district ~~\$25~~ \$40 for each child screened according to the requirements of section 121A.17. If this amount of aid is insufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient.

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Sec. 41. Minnesota Statutes 1998, section 124D.13, subdivision 6, is amended to read:

Subd. 6. **PARTICIPANTS' FEES.** A district ~~may charge~~ must establish a reasonable sliding fee scale but it shall waive the fee for a participant unable to pay.

Sec. 42. Minnesota Statutes 1998, section 124D.135, subdivision 1, is amended to read:

Subdivision 1. **REVENUE.** The revenue for early childhood family education programs for a school district equals ~~\$101.25 for 1998 and \$113.50 for 1999~~ fiscal years 2000 and 2001 and \$120 for 2002 and later fiscal years times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the district on October 1 of the previous school year.

Sec. 43. Minnesota Statutes 1998, section 124D.135, subdivision 3, is amended to read:

Subd. 3. **EARLY CHILDHOOD FAMILY EDUCATION LEVY.** For fiscal years 2000 and 2001 to obtain early childhood family education revenue, a district may levy an amount equal to the tax rate of .45 .5282 percent times the adjusted tax capacity of the district for the year preceding the year the levy is certified. Beginning with levies for fiscal year 2002, by September 30 of each year, the commissioner shall establish a tax rate for early childhood education revenue that raises \$21,027,000 for fiscal year 2002 and \$22,135,000 in fiscal year 2003 and each subsequent year. If the amount of the early childhood family education levy would exceed the early childhood family education revenue, the early childhood family education levy must equal the early childhood family education revenue.

Sec. 44. Minnesota Statutes 1998, section 124D.19, subdivision 11, is amended to read:

Subd. 11. **EXTENDED DAY SCHOOL-AGE CARE PROGRAMS.** (a) A school board may offer, as part of a community education program, an extended day school-age care program for children from kindergarten through grade 6 for the purpose of expanding students' learning opportunities. If the school board chooses not to offer a school-age care program, it may allow an appropriate insured community group, for profit entity or nonprofit organization to use available school facilities for the purpose of offering a school-age care program.

(b) A school-age care program must include the following:

- (1) adult supervised programs while school is not in session;
- (2) parental involvement in program design and direction;
- (3) partnerships with the kindergarten through grade 12 system, and other public, private, or nonprofit entities; and
- (4) opportunities for trained secondary school pupils to work with younger children in a supervised setting as part of a community service program; and

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(5) access to available school facilities, including the gymnasium, sports equipment, computer labs, and media centers, when not otherwise in use as part of the operation of the school. The school district may establish reasonable rules relating to access to these facilities and may require that:

(i) the organization request access to the facilities and prepare and maintain a schedule of proposed use;

(ii) the organization provide evidence of adequate insurance to cover the activities to be conducted in the facilities; and

(iii) the organization prepare and maintain a plan demonstrating the adequacy and training of staff to supervise the use of the facilities.

(b) (c) The district may charge a sliding fee based upon family income for extended day school-age care programs. The district may receive money from other public or private sources for the extended day school-age care program. The board of the district must develop standards for school-age child care programs. Districts must adopt standards within one year after the district first offers services under a program authorized by this subdivision. The state board of education may not adopt rules for extended day school-age care programs.

(e) (d) The district shall maintain a separate account within the community services fund for all funds related to the extended day school-age care program.

(e) A district is encouraged to coordinate the school-age care program with its special education, vocational education, adult basic education, early childhood family education programs, kindergarten through grade 12 instruction and curriculum services, youth development and youth service agencies, and with related services provided by other governmental agencies and nonprofit agencies.

Sec. 45. Minnesota Statutes 1998, section 124D.22, is amended to read:

124D.22 EXTENDED DAY SCHOOL-AGE CARE REVENUE.

Subdivision 1. **ELIGIBILITY.** A district that offers an extended day school-age care program according to section 124D.19, subdivision 11, is eligible for extended day school-age care revenue for the additional costs of providing services to children with disabilities or to children experiencing family or related problems of a temporary nature who participate in the extended day school-age care program.

Subd. 2. **EXTENDED DAY SCHOOL-AGE CARE REVENUE.** The extended day school-age care revenue for an eligible district equals the approved additional cost of providing services to children with disabilities or children experiencing family or related problems of a temporary nature who participate in the extended day school-age care program.

Subd. 3. **EXTENDED DAY SCHOOL-AGE CARE LEVY.** To obtain extended day school-age care revenue, a school district may levy an amount equal to the district's extended day school-age care revenue as defined in subdivision 2 multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the resident pupil units in the district for the school year to which the levy is attributable, to \$3,767 \$3,280.

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Subd. 4. **EXTENDED DAY SCHOOL-AGE CARE AID.** A district's extended day school-age care aid is the difference between its extended day school-age care revenue and its extended day school-age care levy. If a district does not levy the entire amount permitted, extended day school-age care aid must be reduced in proportion to the actual amount levied.

Sec. 46. Minnesota Statutes 1998, section 124D.23, is amended by adding a subdivision to read:

Subd. 10. **INSURANCE.** The commissioner of children, families, and learning may designate one collaborative to act as a lead collaborative for purposes of obtaining liability coverage for participating collaboratives.

Sec. 47. Minnesota Statutes 1998, section 125A.35, subdivision 5, is amended to read:

Subd. 5. **INCREASED COSTS.** County boards that have submitted base year 1993 expenditures as required under subdivision 4 are not required to pay any increased cost over the base year 1993 for early intervention services resulting from implementing the early intervention system. Increased costs to county boards may be paid for with early intervention flow-through service dollars.

Sec. 48. Minnesota Statutes 1998, section 256.01, subdivision 4, is amended to read:

Subd. 4. **DUTIES AS STATE AGENCY.** The state agency shall:

(1) supervise the administration of assistance to dependent children under Laws 1937, chapter 438, by the county agencies in an integrated program with other service for dependent children maintained under the direction of the state agency;

(2) may subpoena witnesses and administer oaths, make rules, and take such action as may be necessary, or desirable for carrying out the provisions of Laws 1937, chapter 438. All rules made by the state agency shall be binding on the counties and shall be complied with by the respective county agencies;

(3) establish adequate standards for personnel employed by the counties and the state agency in the administration of Laws 1937, chapter 438, and make the necessary rules to maintain such standards;

(4) prescribe the form of and print and supply to the county agencies blanks for applications, reports, affidavits, and such other forms as it may deem necessary and advisable;

(5) cooperate with the federal government and its public welfare agencies in any reasonable manner as may be necessary to qualify for federal aid for aid to dependent children and in conformity with the provisions of Laws 1937, chapter 438, including the making of such reports and such forms and containing such information as the Federal Social Security Board may from time to time require, and comply with such provisions as such board may from time to time find necessary to assure the correctness and verification of such reports;

(6) may cooperate with other state agencies in establishing reciprocal agreements in instances where a child receiving aid to dependent children moves or contemplates moving into or out of the state, in order that such child may continue to receive supervised aid

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from the state moved from until the child shall have resided for one year in the state moved to;

(7) on or before October 1 in each even-numbered year make a biennial report to the governor concerning the activities of the agency; and

(8) enter into agreements with other departments of the state as necessary to meet all requirements of the federal government; and

(9) cooperate with the commissioner of children, families, and learning to enforce the requirements for program integrity and fraud prevention for investigation for child care assistance under chapter 119B.

Sec. 49. Minnesota Statutes 1998, section 256.045, is amended by adding a subdivision to read:

Subd. 3c. FINAL ORDER IN HEARING UNDER SECTION 119B.16. The state human services referee shall recommend an order to the commissioner of children, families, and learning in an appeal under section 119B.16. The commissioner shall affirm, reverse, or modify the order. An order issued under this subdivision is conclusive on the parties unless an appeal is taken under subdivision 7.

Sec. 50. Minnesota Statutes 1998, section 256.045, subdivision 6, is amended to read:

Subd. 6. ADDITIONAL POWERS OF THE COMMISSIONER; SUBPOENAS. (a) The commissioner of human services, or the commissioner of health for matters within the commissioner's jurisdiction under subdivision 3b, or the commissioner of children, families, and learning for matters within the commissioner's jurisdiction under subdivision 3c, may initiate a review of any action or decision of a county agency and direct that the matter be presented to a state human services referee for a hearing held under subdivision 3, 3a, 3b, 3c, or 4a. In all matters dealing with human services committed by law to the discretion of the county agency, the commissioner's judgment may be substituted for that of the county agency. The commissioner may order an independent examination when appropriate.

(b) Any party to a hearing held pursuant to subdivision 3, 3a, 3b, 3c, or 4a may request that the commissioner issue a subpoena to compel the attendance of witnesses and the production of records at the hearing. A local agency may request that the commissioner issue a subpoena to compel the release of information from third parties prior to a request for a hearing under section 256.046 upon a showing of relevance to such a proceeding. The issuance, service, and enforcement of subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules of Civil Procedure.

(c) The commissioner may issue a temporary order staying a proposed demission by a residential facility licensed under chapter 245A while an appeal by a recipient under subdivision 3 is pending or for the period of time necessary for the county agency to implement the commissioner's order.

Sec. 51. Minnesota Statutes 1998, section 256.045, subdivision 7, is amended to read:

Subd. 7. JUDICIAL REVIEW. Except for a prepaid health plan, any party who is aggrieved by an order of the commissioner of human services, or the commissioner of

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health in appeals within the commissioner's jurisdiction under subdivision 3b, or the commissioner of children, families, and learning for matters within the commissioner's jurisdiction under subdivision 3c, may appeal the order to the district court of the county responsible for furnishing assistance, or, in appeals under subdivision 3b, the county where the maltreatment occurred, by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the commissioner issued the order, the amended order, or order affirming the original order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the court administrator in appeals taken pursuant to this subdivision, with the exception of appeals taken under subdivision 3b. The commissioner may elect to become a party to the proceedings in the district court. Except for appeals under subdivision 3b, any party may demand that the commissioner furnish all parties to the proceedings with a copy of the decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the human services referee, by serving a written demand upon the commissioner within 30 days after service of the notice of appeal. Any party aggrieved by the failure of an adverse party to obey an order issued by the commissioner under subdivision 5 may compel performance according to the order in the manner prescribed in sections 586.01 to 586.12.

Sec. 52. Minnesota Statutes 1998, section 256.046, subdivision 1, is amended to read:

Subdivision 1. **HEARING AUTHORITY.** A local agency shall must initiate an administrative fraud disqualification hearing for individuals accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the aid to families with dependent children, ~~MFIP-S MFIP~~, child care assistance programs, general assistance, family general assistance, Minnesota supplemental aid, medical care, or food stamp programs. The hearing is subject to the requirements of section 256.045 and the requirements in Code of Federal Regulations, title 7, section 273.16, for the food stamp program and title 45, section 235.112, as of September 30, 1995, for the cash grant and medical care programs.

Sec. 53. Minnesota Statutes 1998, section 256.741, subdivision 4, is amended to read:

Subd. 4. **EFFECT OF ASSIGNMENT.** Assignments in this section take effect upon a determination that the applicant is eligible for public assistance. The amount of support assigned under this subdivision may not exceed the total amount of public assistance issued or the total support obligation, whichever is less. Child care support collections made according to an assignment under subdivision 2, paragraph (c), must be ~~transferred~~ deposited, subject to any limitations of federal law, ~~from~~ by the commissioner of human services in the child support collection account in the special revenue fund and appropriated to the commissioner of children, families, and learning and dedicated to the child care fund under chapter 119B for child care assistance under section 119B.03. These collections are in addition to state and federal funds appropriated to the child care fund.

Sec. 54. Minnesota Statutes 1998, section 256.98, subdivision 1, is amended to read:

Subdivision 1. **WRONGFULLY OBTAINING ASSISTANCE.** A person who commits any of the following acts or omissions with intent to defeat the purposes of sec-

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tions 145.891 to 145.897, 256.12, 256.031 to 256.361, 256.72 to 256.871, 256.9365, 256.94 to 256.966, ~~child care, MFIP—\$ MFIP, chapter 256B, 256D, 256J, 256K, or 256L, child care assistance programs,~~ or all of these sections, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses (1) to (5):

(1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of any material fact, or by impersonation or other fraudulent device, assistance or the continued receipt of assistance, to include ~~child care assistance~~ or vouchers produced according to sections 145.891 to 145.897 and Minnesota ~~Care services~~ according to sections 256.9365, 256.94, and 256L.01 to 256L.16, to which the person is not entitled or assistance greater than that to which the person is entitled;

(2) knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the county agency; or

(3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments to which the individual is not entitled as a provider of subsidized child care, or by furnishing or concurring in a willfully false claim for child care assistance.

The continued receipt of assistance to which the person is not entitled or greater than that to which the person is entitled as a result of any of the acts, failure to act, or concealment described in this subdivision shall be deemed to be continuing offenses from the date that the first act or failure to act occurred.

Sec. 55. Minnesota Statutes 1998, section 256.98, subdivision 7, is amended to read:

Subd. 7. DIVISION OF RECOVERED AMOUNTS. Except for recoveries under chapter 119B, if the state is responsible for the recovery, the amounts recovered shall be paid to the appropriate units of government as provided under section 256.863. If the recovery is directly attributable to a county, the county may retain one-half of the nonfederal share of any recovery from a recipient or the recipient's estate.

This subdivision does not apply to recoveries from medical providers or to recoveries involving the department of human services, surveillance and utilization review division, state hospital collections unit, and the benefit recoveries division.

Sec. 56. Minnesota Statutes 1998, section 256.98, subdivision 8, is amended to read:

Subd. 8. DISQUALIFICATION FROM PROGRAM. (a) Any person found to be guilty of wrongfully obtaining assistance by a federal or state court or by an administrative hearing determination, or waiver thereof, through a disqualification consent agreement, or as part of any approved diversion plan under section 401.065, or any court-ordered stay which carries with it any probationary or other conditions, in the aid to families with dependent children program, the Minnesota family assistance program—statewide, the food stamp program, the Minnesota family investment plan, ~~child care program,~~ the general assistance or family general assistance program, or the Minnesota supplemental aid program shall be disqualified from that program. The needs of that individual shall not be taken into consideration in determining the grant level for that assistance unit:

(1) for one year after the first offense;

(2) for two years after the second offense; and

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(3) permanently after the third or subsequent offense.

The period of program disqualification shall begin on the date stipulated on the advance notice of disqualification without possibility of postponement for administrative stay or administrative hearing and shall continue through completion unless and until the findings upon which the sanctions were imposed are reversed by a court of competent jurisdiction. The period for which sanctions are imposed is not subject to review. The sanctions provided under this subdivision are in addition to, and not in substitution for, any other sanctions that may be provided for by law for the offense involved. A disqualification established through hearing or waiver shall result in the disqualification period beginning immediately unless the person has become otherwise ineligible for assistance. If the person is ineligible for assistance, the disqualification period begins when the person again meets the eligibility criteria of the program from which they were disqualified and makes application for that program.

(b) A family receiving assistance through child care assistance programs under chapter 119B with a family member who is found to be guilty of wrongfully obtaining child care assistance by a federal court, state court, or an administrative hearing determination or waiver, through a disqualification consent agreement, as part of an approved diversion plan under section 401.065, or a court-ordered stay with probationary or other conditions, is disqualified from child care assistance programs. The disqualifications must be for periods of three months, six months, and two years for the first, second, and third offenses respectively. Subsequent violations must result in permanent disqualification. During the disqualification period, disqualification from any child care program must extend to all child care programs and must be immediately applied.

Sec. 57. Minnesota Statutes 1998, section 256.983, subdivision 3, is amended to read:

Subd. 3. **DEPARTMENT RESPONSIBILITIES.** The commissioner shall establish training programs which shall be attended by all investigative and supervisory staff of the involved county agencies. The commissioner shall also develop the necessary operational guidelines, forms, and reporting mechanisms, which shall be used by the involved county agencies. An individual's application or redetermination form shall for public assistance benefits, including child care assistance programs and medical care programs, must include an authorization for release by the individual to obtain documentation for any information on that form which is involved in a fraud prevention investigation. The authorization for release would be is effective until for six months after public assistance benefits have ceased.

Sec. 58. Minnesota Statutes 1998, section 256.983, subdivision 4, is amended to read:

Subd. 4. **FUNDING.** (a) County agency reimbursement shall be made through the settlement provisions applicable to the aid to families with dependent children program, food stamp program, ~~Minnesota family investment program-statewide, and MFIP, child care assistance programs,~~ the medical assistance program, and other federal and state-funded programs.

(b) The commissioner will maintain program compliance if for any three consecutive month period, a county agency fails to comply with fraud prevention investigation program guidelines, or fails to meet the cost-effectiveness standards developed by the

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commissioner. This result is contingent on the commissioner providing written notice, including an offer of technical assistance, within 30 days of the end of the third or subsequent month of noncompliance. The county agency shall be required to submit a corrective action plan to the commissioner within 30 days of receipt of a notice of noncompliance. Failure to submit a corrective action plan or, continued deviation from standards of more than ten percent after submission of a corrective action plan, will result in denial of funding for each subsequent month, or billing the county agency for fraud prevention investigation (FPI) service provided by the commissioner, or reallocation of program grant funds, or investigative resources, or both, to other counties. The denial of funding shall apply to the general settlement received by the county agency on a quarterly basis and shall not reduce the grant amount applicable to the FPI project.

Sec. 59. Minnesota Statutes 1998, section 466.01, subdivision 1, is amended to read:

Subdivision 1. **MUNICIPALITY.** For the purposes of sections 466.01 to 466.15, "municipality" means any city, whether organized under home rule charter or otherwise, any county, town, public authority, public corporation, nonprofit firefighting corporation that has associated with it a relief association as defined in section 424A.001, subdivision 4, special district, school district, however organized, county agricultural society organized pursuant to chapter 38, joint powers board or organization created under section 471.59 or other statute, public library, regional public library system, multicounty multi-type library system, the following local collaboratives whose plans have been approved by the children's cabinet: family services collaborative collaboratives established under section 124D.23, children's mental health collaboratives established under sections 245.491 to 245.496, or a collaborative established by the merger of a children's mental health collaborative and a family services collaborative, other political subdivision, or community action agency.

Sec. 60. Laws 1997, chapter 162, article 2, section 28, subdivision 6, is amended to read:

Subd. 6. **PROGRAM COMPONENTS.** An adolescent parenting program must include:

- (1) a high quality educational program provided in the least restrictive environment that includes strategies to ensure access to educational services, including flexible attendance policies and class scheduling, and grants academic credit for all work completed;
- (2) to the extent possible, collaboration with other governmental agencies and community-based organizations to provide on-site support services, including child care;
- (3) an individualized learning plan for each eligible student that includes career goals;
- (4) assurance of compliance with requirements of Public Law Number 92-318, title IX, prohibiting discrimination against students due to their pregnant or parenting status;
- (5) courses in parent education and life skills;
- (6) accountability measures for student performance linked to graduation standards;
- (7) professional development opportunities on adolescent pregnancy and parenting issues and strategies to achieve academic success with this student population;

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(8) a system to document that adolescent parenting and prevention support funds were used to provide support services to eligible students;

(9) a comprehensive assessment of the district's adolescent pregnancy prevention programs and recommendations for improvements;

(10) a system for collecting and reporting specific student data, including goals and outcome measurements; and

(11) a program advisory council, which may consist of an existing local council; and

(12) transportation options for parents and their children, including allowing transportation on district buses along existing routes.

Sec. 61. **PLAN FOR INTEGRATION.**

The commissioner of children, families, and learning shall develop a plan for integrating child care and early childhood education programs and services. The plan must focus on cost-efficient delivery of services and address central location of programs, integration of programs, ease of accessibility to services by families, nontraditional hours of child care, infant care, sick child care, special needs child care, and legislative simplification of programs. The commissioner shall consult with representatives from a variety of for-profit, nonprofit, and publicly funded child care and early childhood education programs and services in developing the plan. The plan must contain budget recommendations, proposed legislation in draft form, and recommendations for financial incentives to reward programs that provide cooperative services. The commissioner must report on the plan by January 15, 2001, to the senate and house committees having jurisdiction over child care and early childhood education programs.

Sec. 62. **PRETAX CHILD CARE ACCOUNTS; ASSISTANCE FOR EMPLOYERS.**

The commissioner of children, families, and learning in cooperation with the commissioner of revenue must provide assistance to support parental choice in child care through increased availability of pretax child care accounts. The commissioner may use a portion of the available Child Care and Development Fund to provide assistance under this section. The assistance must encourage employers to participate by establishing accounts for their employees. Assistance may include technical assistance, workshops for employers or employees on the advantages of pretax accounts, and other types of promotional material or assistance. The commissioner must report to the legislature by February 1, 2000, on progress under this section.

Sec. 63. **PARENT FEE SCHEDULE.**

The commissioner of children, families, and learning shall amend the parent fee schedule in Minnesota Rules, chapter 3400, to do the following:

(1) parent fees for families with incomes between 101.01 percent of the federal poverty guidelines and 35 percent of the state median income must equal 2.20 percent of adjusted gross income for families at 35 percent of the state median income;

(2) parent fees for families with incomes between 35.01 percent state median income and 42 percent of the state median income must equal 2.70 percent of adjusted gross income for families at 42 percent of the state median income;

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(3) parent fees for families with incomes between 42.01 percent state median income and 75 percent of the state median income must begin at 3.75 percent of adjusted gross income and provide for graduated movement of fee increases; and

(4) parent fees for families at 75 percent of state median income must equal 20.0 percent of gross annual income.

Sec. 64. CHILDHOOD LEARNING MATERIALS; CONTRIBUTIONS.

The commissioner of children, families, and learning shall initiate contacts with businesses and other organizations to encourage them to donate materials designed to help families interact with their children during the first four years of life in ways that will help develop the skills and abilities necessary to succeed in reading and in school. The goal of this cooperative effort shall be to provide learning materials for children under age five through an alliance of business, nonprofit organizations, and government. The commissioner shall provide testimony on the status of this project by February 1, 2000, to the house and senate committees with jurisdiction over family and early childhood education.

Sec. 65. ADDITIONAL EARLY CHILDHOOD FAMILY EDUCATION AID; FISCAL YEAR 2000.

A district that complies with Minnesota Statutes, section 124D.13, shall receive additional early childhood family education aid for fiscal year 2000 equal to \$2.46 times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the school district on October 1 of the previous school year. The additional early childhood family education aid may be used only for early childhood family education programs.

Sec. 66. CONSOLIDATION PLAN.

The commissioner of children, families, and learning shall identify potential obstacles to the consolidation of MFIP, transition year, and basic sliding fee child care programs into one child care assistance program and shall study ways to achieve this consolidation during the 2002-2003 biennium. The commissioner shall testify before relevant house and senate committees on this matter during the year 2000 session.

Sec. 67. STATE MONEY TO BE USED AS MATCH FOR WELFARE-TO-WORK GRANT MONEY.

The commissioner of finance shall examine all relevant state expenditures authorized for fiscal years 2000 and 2001 to determine whether any expenditures can be used to provide a state match to obtain federal Welfare-to-Work funds. If the commissioner determines that any state expenditures can be used for this purpose in a manner that does not compromise the state's TANF maintenance-of-effort and is consistent with the state's fiscal policies and practices, the commissioner shall direct the appropriate agencies to take the actions necessary to track, document, and verify the designated state expenditures in order to qualify for and use up to \$5,000,000 in state expenditures for use as a match for federal Welfare-to-Work funds.

Sec. 68. TRANSFER OF PROGRAMS.

The powers and duties of the department of children, families, and learning with respect to drug policy and violence prevention under Minnesota Statutes 1998, sections

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119A.25, 119A.26, 119A.27, 119A.28, 119A.29, 119A.31, 119A.32, 119A.33, and 119A.34, are transferred to the department of public safety under Minnesota Statutes, section 15.039.

Sec. 69. INCONSISTENT AMENDMENTS.

The amendments in this article to Minnesota Statutes 1998, sections 119B.01, subdivisions 15 and 16; 119B.03, subdivision 4; 119B.05, subdivision 1; 119B.07; 119B.08, subdivision 3; 119B.09, subdivisions 1, 3, and 7; 119B.14; and 119B.15 prevail over the amendments to the same provisions of Minnesota Statutes 1998 that are contained in the 1999 S. F. No. 1585, if enacted.

Sec. 70. REVISOR INSTRUCTION.

(a) The revisor of statutes shall change the headnote of Minnesota Statutes, section 119B.05, from "AFDC CHILD CARE PROGRAM" to "MFIP CHILD CARE ASSISTANCE PROGRAM" and the headnote of Minnesota Statutes, section 125A.35, from "EARLY INTERVENTION FLOW-THROUGH DOLLARS" to "EARLY INTERVENTION SERVICE DOLLARS."

(b) The revisor of statutes shall change the term "learning readiness" to "school readiness" wherever it appears in Minnesota Statutes and Minnesota Rules in connection with the learning readiness programs regulated under Minnesota Statutes, chapter 124D.

Sec. 71. APPROPRIATIONS.

Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING. The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. SCHOOL READINESS PROGRAM REVENUE. For revenue for learning readiness programs according to Minnesota Statutes, sections 124D.15 and 124D.16:

<u>\$10,395,000</u>	<u>.....</u>	<u>2000</u>
<u>\$10,395,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$1,040,000 for 1999 and \$9,355,000 for 2000.

The 2001 appropriation includes \$1,040,000 for 2000 and \$9,355,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. EARLY CHILDHOOD FAMILY EDUCATION AID. For early childhood family education aid according to Minnesota Statutes, section 124D.135:

<u>\$20,485,000</u>	<u>.....</u>	<u>2000</u>
<u>\$19,420,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$1,390,000 for 1999 and \$19,095,000 for 2000.

The 2001 appropriation includes \$2,122,000 for 2000 and \$17,298,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. HEALTH AND DEVELOPMENTAL SCREENING AID. For health and developmental screening aid according to Minnesota Statutes, sections 121A.17 and 121A.19:

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\$2,450,000	2000
<u>\$2,650,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$155,000 for 1999 and \$2,295,000 for 2000.

The 2001 appropriation includes \$255,000 for 2000 and \$2,395,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. WAY TO GROW. For grants for existing way to grow programs according to Minnesota Statutes, section 124D.17:

\$ 475,000	.....	2000
<u>\$ 475,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. HEAD START PROGRAM. For Head Start programs according to Minnesota Statutes, section 119A.52:

\$18,375,000	.....	2000
<u>\$18,375,000</u>	<u>.....</u>	<u>2001</u>

\$1,000,000 each year must be used for grants to local Head Start agencies for full-year programming for children ages 0 to 3. Programs must comply with applicable federal Head Start performance standards. Grantees may use state grant funds to provide services in addition to those allowed under federal Head Start regulations. In awarding grants, the commissioner must give priority to continue existing programs. Any additional money must be distributed to local Head Start agencies to expand full-year programming for children ages 0 to 3.

Any balance in the first year does not cancel but is available in the second year.

Subd. 7. SCHOOL AGE CARE AID. For extended day aid according to Minnesota Statutes, section 124D.22:

\$ 274,000	.....	2000
<u>\$ 216,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$30,000 for 1999 and \$244,000 for 2000.

The 2001 appropriation includes \$27,000 for 2000 and \$189,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 8. BASIC SLIDING FEE CHILD CARE. For child care assistance according to Minnesota Statutes, section 119B.03:

\$21,621,000	.....	2000
<u>\$22,377,000</u>	<u>.....</u>	<u>2001</u>

Six months before the end of the biennium, the commissioner must estimate the amount of biennial expenditures from the allocation for assistance under the at-home infant care program. The commissioner must transfer the amount of any projected surplus allocation to the basic sliding fee program. Of the amount set aside under section

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119B.061 for the at-home infant care program, up to \$25,000 must be used to develop and provide information under section 119B.061, subdivision 5.

Any balance in the first year does not cancel but is available in the second year.

The fiscal year 2002 and 2003 base is \$62,199,000 each year. Of this amount, \$51,999,000 is from the general fund and \$10,200,000 is from the federal TANF block grant.

Subd. 9. MFIP CHILD CARE. For child care assistance according to Minnesota Statutes, section 119B.05:

<u>\$86,318,000</u>	<u>.....</u>	<u>2000</u>
<u>\$88,443,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 10. CHILD CARE DEVELOPMENT. For child care development grants according to Minnesota Statutes, section 119B.21:

<u>\$ 1,865,000</u>	<u>.....</u>	<u>2000</u>
<u>\$ 1,865,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Sec. 72. FEDERAL TANF TRANSFERS.

Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING. The sums indicated in this section are transferred from the federal TANF fund to the child care and development fund and appropriated to the department of children, families, and learning for the fiscal years designated. The commissioner shall ensure that all transferred funds are expended in accordance with the child care and development fund regulations and that the maximum allowable transferred funds are used for the programs in this section.

Subd. 2. BASIC SLIDING FEE CHILD CARE. For child care assistance according to Minnesota Statutes, section 119B.03:

<u>\$37,985,000</u>	<u>.....</u>	<u>2000</u>
<u>\$37,986,000</u>	<u>.....</u>	<u>2001</u>

Any balance the first year does not cancel but is available in the second year. The fiscal year 2002 and 2003 base is \$62,199,000 each year. Of this amount, \$51,999,000 is from the general fund and \$10,200,000 is from the federal TANF block grant.

Subd. 3. TRANSITION YEAR FAMILIES. To provide uninterrupted assistance under Minnesota Statutes, section 119B.03, for families completing transition year child care assistance in fiscal year 2000:

<u>\$ 2,500,000</u>	<u>.....</u>	<u>2000</u>
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This is a one-time appropriation. Any balance the first year does not cancel but is available in the second year.

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Subd. 4. CHILD CARE DEVELOPMENT. For child care development activities:

\$1,130,000	2000
\$ 449,000	.....	2001

\$100,000 of the 2000 appropriation is for a grant to a nonprofit corporation under Minnesota Statutes, section 119B.25, for purposes that are eligible for funding under the Child Care and Development Fund, including improvements to child care facilities, business planning, and development of licensed child care.

Up to \$20,000 of the fiscal year 2000 appropriation is for assistance to establish pre-tax child care accounts in section 62.

These are one-time appropriations. Any balance in the first year does not cancel but is available in the second year.

Subd. 5. PROGRAM INTEGRITY. For administrative costs of program integrity and fraud prevention for child care assistance programs under chapter 119B:

\$ 175,000	.....	2000
\$ 175,000	.....	2001

This must be a base general fund appropriation for fiscal years 2002 and 2003.

Sec. 73. REPEALER.

(a) Minnesota Statutes 1998, sections 119B.01, subdivision 15; 119B.03, subdivision 7; 119B.05, subdivisions 6 and 7; 119B.075; 119B.17; and 124D.14, are repealed.

(b) Section 63 is repealed on the effective date of the specified rule changes in Minnesota Rules, chapter 3400.

ARTICLE 2

COMMUNITY AND SYSTEMS CHANGE

Section 1. Minnesota Statutes 1998, section 124D.20, subdivision 5, is amended to read:

Subd. 5. COMMUNITY EDUCATION LEVY. To obtain community education revenue, a district may levy the amount raised by a tax rate of .44 .4795 percent times the adjusted net tax capacity of the district. If the amount of the community education levy would exceed the community education revenue, the community education levy shall be determined according to subdivision 6.

Sec. 2. Laws 1997, First Special Session chapter 4, article 1, section 61, subdivision 2, is amended to read:

Subd. 2. TAX RATE ADJUSTMENT. For taxes payable in 1998 and 1999, the commissioner shall adjust each tax rate established under Minnesota Statutes, chapters

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124 and 124A 120B, 122A, 123A, 123B, 124D, 125A, 126C, and 127A, by multiplying the rate by the ratio of the statewide tax capacity as calculated using the class rates in effect for assessment year 1996 to the statewide tax capacity using the class rates for that assessment year.

Sec. 3. Laws 1997, First Special Session chapter 4, article 1, section 61, subdivision 3, as amended by Laws 1998, chapter 398, article 1, section 41, is amended to read:

Subd. 3. **EQUALIZING FACTORS.** For taxes payable in 1998 and 1999, the commissioner shall adjust each equalizing factor established using adjusted net tax capacity per actual pupil unit under Minnesota Statutes, chapters 124 and 124A 120B, 122A, 123A, 123B, 124D, 125A, 126C, and 127A, by dividing the equalizing factor by the ratio of the statewide tax capacity as calculated using the class rates in effect for assessment year 1996 to the statewide tax capacity using the class rates for that assessment year.

Sec. 4. **APPROPRIATIONS.**

Subdivision 1. **DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.** The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. **FAMILY COLLABORATIVES.** For family collaboratives according to Laws 1995, First Special Session chapter 3, article 4, section 29, subdivision 10:

<u>\$4,777,000</u>	<u>.....</u>	<u>2000</u>
<u>\$2,535,000</u>	<u>.....</u>	<u>2001</u>

No new family services collaboratives shall be funded with this appropriation after June 30, 1999.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. **COMMUNITY EDUCATION AID.** For community education aid according to Minnesota Statutes, section 124D.20:

<u>\$14,136,000</u>	<u>.....</u>	<u>2000</u>
<u>\$14,696,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$160,000 for 1999 and \$13,976,000 for 2000.

The 2001 appropriation includes \$1,552,000 for 2000 and \$13,144,000 for 2001.

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. **ADULTS WITH DISABILITIES PROGRAM AID.** For adults with disabilities programs according to Minnesota Statutes, section 124D.56:

<u>\$ 670,000</u>	<u>.....</u>	<u>2000</u>
<u>\$ 670,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

New language is indicated by underline, deletions by strikeout.

Subd. 5. HEARING-IMPAIRED ADULTS. For programs for hearing-impaired adults according to Minnesota Statutes, section 124D.57:

\$ 70,000	.....	2000
\$ 70,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. FIRST CALL MINNESOTA. For a grant to First Call Minnesota to operate a statewide system of information and referral for community services:

\$ 50,000	2000
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This is a one-time appropriation.

ARTICLE 3

PREVENTION AND INTERVENTION

Section 1. [124D.221] AFTER-SCHOOL ENRICHMENT PROGRAMS.

Subdivision 1. ESTABLISHMENT. A competitive statewide after-school enrichment grant program is established to provide implementation grants to community or nonprofit organizations, to political subdivisions, or to school-based programs. The commissioner shall develop criteria for after-school enrichment programs.

Subd. 2. PRIORITY NEIGHBORHOODS. For grants in Minneapolis and St. Paul, the commissioner must give priority to neighborhoods in this subdivision. In Minneapolis, priority neighborhoods are Near North, Hawthorne, Sumner-Glenwood, Harrison, Jordan, Powderhorn, Central, Whittier, Cleveland, McKinley, Waite Park, Sheridan, Holland, and Phillips. In St. Paul, priority neighborhoods are Summit-University, Thomas-Dale, North End, Payne-Phalen, Daytons Bluff, and the West Side.

Subd. 3. PROGRAM OUTCOMES. The expected outcomes of the after-school enrichment programs are to:

- (1) increase the number of children participating in adult-supervised programs in nonschool hours;
- (2) support academic achievement, including the areas of reading and math;
- (3) reduce the amount of juvenile crime;
- (4) increase school attendance and reduce the number of school suspensions;
- (5) increase the number of youth engaged in community service and other activities designed to support character improvement, strengthen families, and instill community values;
- (6) increase skills in technology, the arts, sports, and other activities; and
- (7) increase and support the academic achievement and character development of adolescent parents.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 4. **PLAN.** An applicant shall develop a plan for an after-school enrichment program for youth. The plan must include:

(1) collaboration with and leverage of existing community resources that have demonstrated effectiveness;

(2) creative outreach to children and youth;

(3) involvement of local governments, including park and recreation boards or schools, unless no government agency is appropriate;

(4) community control over the design of the enrichment program; and

(5) identification of the sources of nonpublic funding.

Subd. 5. **PLAN APPROVAL; GRANTS.** An applicant shall submit a plan developed under subdivision 4 to the commissioner for approval. The commissioner shall award a grant for the implementation of an approved plan.

Sec. 2. Minnesota Statutes 1998, section 124D.33, subdivision 3, is amended to read:

Subd. 3. **EXPECTED OUTCOMES.** Grant recipients must use the funds for programs designed to prevent teen pregnancy and to prevent crime in the long term. Recipient programs must assist youth to demonstrate the following outcomes:

(1) a reduction in the incidence of teen pregnancy;

(2) an increase in the establishment of paternity, especially through the recognition of parentage process;

(3) an increase in the number of child support orders and collection;

(4) an understanding of early childhood development, including the importance of fathers in the lives of children;

(1) understand (5) an understanding of the connection between sexual behavior, adolescent pregnancy, and the roles and responsibilities of marriage and parenting;

(6) an understanding that abstinence is the only completely safe means of sexual protection; and

(2) understand (7) an understanding of the long-term responsibility of fatherhood;

(3) understand the importance of fathers in the lives of children;

(4) acquire parenting skills and knowledge of child development; and

(5) find community support for their roles as fathers and nurturers of children.

Sec. 3. Minnesota Statutes 1998, section 124D.33, subdivision 4, is amended to read:

Subd. 4. **GRANT APPLICATIONS.** (a) An application for a grant may be submitted by a youth or parenting program whose purpose is to reduce teen pregnancy or teach child development and parenting skills in collaboration with a district. Each grant application must include a description of the program's structure and components, in-

New language is indicated by underline, deletions by ~~strikeout~~.

cluding collaborative and outreach efforts; an implementation and evaluation plan to measure the program's success; a plan for using males as instructors and mentors; and a cultural diversity plan to ensure that staff or teachers will reflect the cultural backgrounds of the population served and that the program content is culturally sensitive.

(b) Grant recipients must, at a minimum, provide education in responsible parenting and child development, responsible decision-making related to marriage and relationships, and the legal implications of paternity. Grant recipients also must provide public awareness efforts in the collaborating school district. Grant recipients may offer support groups, health and nutrition education, and mentoring and peer teaching.

(c) A grant applicant must establish an advisory committee to assist the applicant in planning and implementation of a grant. The advisory committee must include student representatives, adult males from the community, representatives of community organizations, teachers, parent educators, and representatives of family social service agencies.

(d) A grant applicant must detail in its application how it will evaluate the effectiveness of its program, including how it will collect data to establish whether the expected outcomes have been met. The applicant must report the data it collects to the commissioner semiannually.

Sec. 4. Minnesota Statutes 1998, section 171.29, subdivision 2, is amended to read:

Subd. 2. **FEES, ALLOCATION.** (a) A person whose driver's license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before the driver's license is reinstated.

(b) A person whose driver's license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a \$250 fee plus a \$40 surcharge before the driver's license is reinstated. The \$250 fee is to be credited as follows:

(1) Twenty percent shall be credited to the trunk highway fund.

(2) Fifty-five percent shall be credited to the general fund.

(3) Eight percent shall be credited to a separate account to be known as the bureau of criminal apprehension account. Money in this account may be appropriated to the commissioner of public safety and the appropriated amount shall be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

(4) Twelve percent shall be credited to a separate account to be known as the alcohol-impaired driver education account. Money in the account is appropriated as follows:

(i) The first \$200,000 in a fiscal year is to the commissioner of children, families, and learning for programs ~~in~~ for elementary and secondary schools ~~school students~~.

(ii) The remainder credited in a fiscal year is appropriated to the commissioner of transportation to be spent as grants to the Minnesota highway safety center at St. Cloud State University for programs relating to alcohol and highway safety education in elementary and secondary schools.

(5) Five percent shall be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The money in the account is annually appro-

New language is indicated by underline, deletions by ~~strikeout~~.

priated to the commissioner of health to be used as follows: 35 percent for a contract with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 65 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this clause, a "qualified community-based organization" is a private, not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under the provisions of section 501(c)(3) as a tax-exempt organization and must have as its purposes:

(i) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;

(ii) the provision of a network of support for persons with traumatic brain injury, their families, and friends;

(iii) the development and support of programs and services to prevent traumatic brain injury;

(iv) the establishment of education programs for persons with traumatic brain injury; and

(v) the empowerment of persons with traumatic brain injury through participation in its governance.

No patient's name, identifying information or identifiable medical data will be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian, or if the patient is a minor, of the parent or guardian of the patient.

(c) The \$40 surcharge shall be credited to a separate account to be known as the remote electronic alcohol monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of finance on a monthly basis for deposit in the general fund.

(d) When these fees are collected by a county-operated office of deputy registrar, a handling charge is imposed in the amount specified under section 168.33, subdivision 7. The handling charge must be deposited in the treasury of the place for which the deputy registrar was appointed and the reinstatement fees and surcharge must be deposited in an approved state depository as directed under section 168.33, subdivision 2.

Sec. 5. APPROPRIATIONS.

Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING. The sums indicated in this section are appropriated from the general fund, unless otherwise indicated, to the department of children, families, and learning for the fiscal years designated.

Subd. 2. VIOLENCE PREVENTION EDUCATION GRANTS. For violence prevention education grants according to Minnesota Statutes, section 120B.23:

\$1,450,000	.....	2000
\$1,450,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

New language is indicated by underline, deletions by strikeout.

Subd. 3. ABUSED CHILDREN. For abused children programs according to Minnesota Statutes, section 119A.21:

\$ 945,000	.....	2000
\$ 945,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. CHILDREN'S TRUST FUND. For children's trust fund according to Minnesota Statutes, sections 119A.12 and 119A.13:

\$ 225,000	.....	2000
\$ 225,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. AFTER-SCHOOL ENRICHMENT GRANTS. For after school enrichment grants according to Laws 1996, chapter 412, article 4, section 30:

\$5,260,000	.....	2000
\$5,260,000	.....	2001

Of this amount, \$200,000 each year is for programs that make state armories available to communities for youth recreational and enrichment activities.

Any balance in the first year does not cancel but is available in the second year.

In fiscal year 2002 and 2003, the base for this program is \$5,510,000 from the general fund each year.

Subd. 6. ALCOHOL-IMPAIRED DRIVER. (a) For grants with funds received under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), clause (4):

\$ 200,000	.....	2000
\$ 200,000	.....	2001

(b) These appropriations are from the alcohol-impaired driver account of the special revenue fund to the department of children, families, and learning for chemical abuse prevention grants.

(c) Up to \$150,000 each year may be used for chemical abuse prevention grants to provide a match for a community collaborative project for children and youth developed by a regional organization established under Minnesota Statutes.

The regional organization must include a broad cross section of public and private sector community representatives to address specific community needs of children and youth. A regional organization that receives a grant must provide a two-to-one match of nonstate dollars.

(d) \$50,000 each year is for grants to a nonprofit organization to fund culturally appropriate prevention programs for American Indian youth and families and urban American Indian communities.

In addition, \$200,000 of the amount of special revenue funds carried forward for fiscal year 2000 may be used in fiscal years 2000 and 2001 for grants under this paragraph.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 7. FAMILY VISITATION CENTERS. (a) For family visitation centers according to Minnesota Statutes, section 119A.37:

\$ 200,000	.....	2000
\$ 200,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

(b) An additional \$96,000 in fiscal year 2000 and \$96,000 in fiscal year 2001 is appropriated from the special revenue fund under Minnesota Statutes, section 517.08, subdivision 1c, for family visitation centers. Any balance in the first year does not cancel but is available for the second year.

Subd. 8. ADOLESCENT PARENTING GRANTS. For grants to reduce long-term welfare dependency and promote self-sufficiency among adolescent parents under Laws 1997, chapter 162, article 2, section 28:

\$1,000,000	2000
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Any balance in the first year does not cancel but is available in the second year.

\$200,000 of this appropriation is one time and is not to be added to the base.

Subd. 9. MALE RESPONSIBILITY AND FATHERING GRANTS. For grants according to Minnesota Statutes, section 124D.33:

\$ 250,000	.....	2000
\$ 250,000	.....	2001

Any balance in the first year does not cancel but is available in the second year.

ARTICLE 4

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 1998, section 16B.405, subdivision 2, is amended to read:

Subd. 2. SOFTWARE SALE FUND. (a) Except as provided in paragraph (b) paragraphs (b) and (c), proceeds of the sale or licensing of software products or services by the commissioner must be credited to the intertechnologies revolving fund. If a state agency other than the department of administration has contributed to the development of software sold or licensed under this section, the commissioner may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds of the sale or licensing of software products or services developed by the pollution control agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

(c) Proceeds of the sale or licensing of software products or services developed by the department of children, families, and learning, or custom developed by a vendor for

New language is indicated by underline, deletions by strikeout.

the agency, to support the achieved savings assessment program, must be appropriated to the commissioner of children, families, and learning and credited to the weatherization program to support weatherization activities.

Sec. 2. Minnesota Statutes 1998, section 122A.26, is amended by adding a subdivision to read:

Subd. 3. ENGLISH AS A SECOND LANGUAGE. Notwithstanding subdivision 2, a person who possesses a bachelor's or master's degree in English as a second language, applied linguistics, or bilingual education, or who possesses a related degree as approved by the commissioner, shall be permitted to teach English as a second language in an adult basic education program that receives funding under section 124D.53.

Sec. 3. Minnesota Statutes 1998, section 124D.52, is amended by adding a subdivision to read:

Subd. 4. ENGLISH AS A SECOND LANGUAGE PROGRAMS. Persons may teach English as a second language classes conducted at a worksite, if they meet the requirements of section 122A.19, subdivision 1, clause (a), regardless of whether they are licensed teachers. Persons teaching English as a second language for an approved adult basic education program must possess a bachelor's or master's degree in English as a second language, applied linguistics, or bilingual education, or a related degree as approved by the commissioner.

Sec. 4. Minnesota Statutes 1998, section 124D.52, is amended by adding a subdivision to read:

Subd. 5. BASIC SERVICE LEVEL. A district, or a consortium of districts, with a program approved by the commissioner under subdivision 2 must establish, in consultation with the commissioner, a basic level of service for every adult basic education site in the district or consortium. The basic service level must describe minimum levels of academic instruction and support services to be provided at each site. The program must set a basic service level that promotes effective learning and student achievement with measurable results. Each district or consortium of districts must submit its basic service level to the commissioner for approval.

Sec. 5. Minnesota Statutes 1998, section 124D.53, subdivision 3, is amended to read:

Subd. 3. AID. Adult basic education aid for each approved program equals 65 percent of the general education formula allowance \$2,295 for fiscal year 2000 and \$2,338 for fiscal year 2001 and later fiscal years times the number of full-time equivalent students in its adult basic education program during the first prior program year.

Sec. 6. Minnesota Statutes 1998, section 124D.53, is amended by adding a subdivision to read:

Subd. 7. BASIC POPULATION AID. A district with a population of less than 30,000 is eligible for basic population aid if: (1) the district levied for adult basic education for revenue in fiscal year 1999; and (2) the district has a basic service level approved by the commissioner under section 124D.52, subdivision 5, or is a member of a consortium with an approved basic service level. Basic population aid is equal to the greater of \$4,000 or \$1 times the population of the district. District population is determined ac-

New language is indicated by underline, deletions by ~~strikeout~~.

ording to section 275.14. Aid under this section is in addition to aid under subdivision 3 and must be used for sites that meet the approved basic service level under section 124D.52, subdivision 5.

Sec. 7. Minnesota Statutes 1998, section 124D.54, subdivision 1, is amended to read:

Subdivision 1. **AID ELIGIBILITY.** For fiscal years 1998 and later, Adult high school graduation aid for eligible pupils age 21 or over, equals ~~65 percent of the general education formula allowance times 1.30 times the average daily membership under section 126C.05, subdivision 12.~~

(1) for fiscal year 2000: 1.30 multiplied by the average daily membership under section 126C.05, subdivision 12, multiplied by (i) \$1,676 or (ii) \$3,251,000 divided by the state total weighted average daily membership, not to exceed \$2,295;

(2) for fiscal year 2001 and later fiscal years: \$2,338 multiplied by 1.30 multiplied by the average daily membership under section 126C.05, subdivision 12.

Adult high school graduation aid must be paid in addition to any other aid to the district. Pupils age 21 or over may not be counted by the district for any purpose other than adult high school graduation aid.

Sec. 8. Laws 1998, First Special Session chapter 1, article 1, section 10, is amended to read:

Sec. 10. **HOUSEHOLD ELIGIBILITY; PARTICIPATION.**

Subdivision 1. **INITIAL ELIGIBILITY.** To be eligible for state or TANF matching funds in the family assets for independence initiative, a household must have income at or below 200 185 percent of the federal poverty level and assets of \$25,000 \$15,000 or less. An individual who is a dependent of another person for federal income tax purposes may not be a separate eligible household for purposes of establishing a family asset account. An individual who is a debtor for a judgment resulting from nonpayment of a court-ordered child support obligation may not participate in this program. Households accessing TANF matching funds are subject to the MFIP definition of household under Minnesota Statutes, section 256J.08, subdivision 46. Income and assets are determined according to eligibility guidelines for the energy assistance program.

Subd. 2. **CONTINUED PARTICIPATION.** A participating household whose income exceeds 200 185 percent of the poverty level may continue to make contributions to the savings account. The amount of any contributions made during the time when a participating household's income is greater than 200 185 percent of the poverty level is not eligible for the match under section 11.

Subd. 3. **FAMILY PARTICIPATION.** Each participating household must sign a family asset agreement that includes the amount of scheduled deposits into its savings account, the proposed use, and the proposed savings goal. A participating household must agree to complete an economic literacy training program.

Participating households may only deposit money that is derived from household earned income or from state and federal income tax credits.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 9. Laws 1998, First Special Session chapter 1, article 1, section 11, is amended to read:

Sec. 11. WITHDRAWAL; MATCHING; PERMISSIBLE USES.

Subdivision 1. **WITHDRAWAL OF FUNDS.** To receive a match, a participating household must transfer funds withdrawn from a family asset account to a fiduciary organization its matching fund custodial account held by the fiscal agent, according to the family asset agreement. The fiduciary organization must determine if the match request is for a permissible use consistent with the household's family asset agreement.

~~A fiduciary organization~~ The fiscal agent must ensure the household's custodial account contains the applicable matching funds to match the balance in the household's account, including interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches must be provided as follows:

(1) from state grant and TANF funds a matching contribution of ~~\$2~~ \$1.50 for every \$1 of funds withdrawn from the family asset account equal to the lesser of ~~\$720~~ \$720 per year or a \$3,000 lifetime limit; and

(2) from nonstate funds, a matching contribution of no less than ~~\$2~~ \$1.50 for every \$1 of funds withdrawn from the family asset account equal to the lesser of ~~\$720~~ \$720 per year or a \$3,000 lifetime limit.

Subd. 2. **VENDOR PAYMENT OF WITHDRAWN FUNDS.** Upon receipt of ~~withdrawn~~ transferred custodial account funds, the fiduciary organization must make a direct payment to the vendor of the goods or services for the permissible use.

Sec. 10. Laws 1998, First Special Session chapter 1, article 1, section 12, is amended to read:

Sec. 12. PROGRAM REPORTING.

The fiscal agent on behalf of each fiduciary organization operating participating in a family assets for independence initiative must annually report quarterly to the commissioner of human services and to the commissioner of children, families, and learning identifying the participants with accounts, the number of accounts, the amount of savings and matches for each participant's account, the uses of the account, and the number of businesses, homes, and educational services paid for with money from the account, as well as other information that may be required for the state to operate commissioner to administer the program effectively and meet federal TANF reporting requirements.

Sec. 11. ADULT BASIC EDUCATION SERVICE DELIVERY STUDY GROUP.

(a) The commissioner of children, families, and learning shall establish a task force to review, evaluate, and make legislative recommendations by January 15, 2000, on improving the delivery of adult basic education (ABE) services. The study group must make recommendation on ways to:

(1) improve the efficiency and effectiveness of ABE service delivery of over the next five years; and

(2) increase the number of adult learners served and the proportion of need for adult education met by ABE programs.

New language is indicated by underline, deletions by ~~strikeout~~.

(b) The group should, at a minimum, consider the following factors:

(1) changes in the need for ABE services due to socioeconomic trends, welfare reform, and labor market factors;

(2) evolving instructional technologies, including distance learning and the integration of computers and other technologies into ABE programs;

(3) the organization, formation, and functioning of ABE service delivery through regional consortiums and school district programs;

(4) accountability in the delivery of ABE services to meet defined learner outcomes;

(5) funding to promote and recognize educational outcomes in ABE programs; and

(6) defining and maintaining viable ABE program delivery that meets the needs of adult learners throughout Minnesota.

(c) Members of the study group must include members of the house and senate committees that fund adult basic education programs; representatives of the department of children, families, and learning; and representatives of ABE programs, including school districts, community education, nonprofit organizations, correctional programs, and other organizations that provide or support ABE education. The group must include rural, urban, and suburban members.

Sec. 12. APPROPRIATIONS.

Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING. The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. MINNESOTA ECONOMIC OPPORTUNITY GRANTS. For Minnesota economic opportunity grants:

<u>\$8,514,000</u>	<u>.....</u>	<u>2000</u>
<u>\$8,514,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. TRANSITIONAL HOUSING PROGRAMS. For transitional housing programs according to Minnesota Statutes, section 119A.43:

<u>\$2,075,000</u>	<u>.....</u>	<u>2000</u>
<u>\$2,075,000</u>	<u>.....</u>	<u>2001</u>

Of this amount, \$50,000 each year is for transitional housing services for homeless veterans and \$50,000 each year is for a grant to the Kids Capacity Initiative program in Hennepin county.* (The preceding text beginning "and \$50,000 each year" was vetoed by the governor.)

Of this amount, \$25,000 for the biennium is for a grant to Perspective, Inc. to provide transitional housing services. One or more nonprofit organizations must provide an equal amount of matching funds.* (The preceding text beginning "Of this amount, \$25,000" was vetoed by the governor.)

New language is indicated by underline, deletions by ~~strikeout~~.

\$25,000 each year is for a grant to the city of St. Louis Park for the Meadowbrook Collaborative Housing Project to enhance youth outreach services and to provide educational and recreational programming for at-risk youth. The collaborative must include a cross section of public and private sector community representatives.* (The preceding text beginning "\$25,000" was vetoed by the governor.)

Any balance in the first year does not cancel but is available in the second year.

Subd. 4. FOODSHELF PROGRAMS. For foodshelf programs according to Minnesota Statutes, section 119A.44:

<u>\$1,278,000</u>	<u>.....</u>	<u>2000</u>
<u>\$1,278,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. ADULT BASIC EDUCATION AID. For adult basic education aid according to Minnesota Statutes, section 124D.52, in fiscal year 2000 and Minnesota Statutes, section 124D.53 in fiscal year 2001:

<u>\$20,132,000</u>	<u>.....</u>	<u>2000</u>
<u>\$22,477,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$1,227,000 for 1999 and \$18,905,000 for 2000.

The 2001 appropriation includes \$2,101,000 for 2000 and \$20,376,000 for 2001.

Subd. 6. ADULT BASIC EDUCATION BASIC POPULATION AID. For basic population aid for eligible districts under section 7:

<u>\$1,960,000</u>	<u>.....</u>	<u>2000</u>
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Notwithstanding Minnesota Statutes, section 127A.45, subdivision 12, 100 percent of this appropriation is for fiscal year 2000.

Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation.

Subd. 7. ADULT GRADUATION AID. For adult graduation aid according to Minnesota Statutes, section 124D.54:

<u>\$3,184,000</u>	<u>.....</u>	<u>2000</u>
<u>\$4,732,000</u>	<u>.....</u>	<u>2001</u>

The 2000 appropriation includes \$258,000 for 1999 and \$2,926,000 for 2000.

The 2001 appropriation includes \$325,000 for 2000 and \$4,407,000 for 2001.

Subd. 8. GED TESTS. For payment of 60 percent of the costs of GED tests according to Laws 1993, chapter 224, article 4, section 44, subdivision 10:

<u>\$ 125,000</u>	<u>.....</u>	<u>2000</u>
<u>\$ 125,000</u>	<u>.....</u>	<u>2001</u>

Any balance in the first year does not cancel but is available in the second year.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 9. FAMILY ASSETS FOR INDEPENDENCE. For a grant to the Ramsey Action Program to provide matching grants to fiduciary organizations under Laws 1998, First Special Session chapter 1, article 1, sections 6 to 12:

\$ 500,000 2000

Any balance in the first year does not cancel but is available in the second year.

Subd. 10. LEAD HAZARD REDUCTION PROJECT. For a grant to a nonprofit organization currently operating the CLEARCorps lead hazard reduction project:

\$ 500,000 2000

\$300,000 of this is a one-time appropriation. Any balance in the first year does not cancel but is available in the second year.

The grant must be used to continue the lead hazard reduction project and reduce and prevent lead poisoning in Minnesota's children. The grant may be used as a match for federal funds to reduce lead hazards.

Subd. 11. GED ON TELEVISION. For a grant to a public television station that serves rural areas of Minnesota:

\$ 75,000 2000

\$ 75,000 2001

The grant must be used to provide GED programming to aid immigrants and others who lack a high school diploma to obtain a GED. Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation.* (The preceding subdivision was vetoed by the governor.)

Subd. 12. EMERGENCY SERVICES. For emergency services grants according to Laws 1997, chapter 162, article 3, section 7:

\$ 350,000 2000

\$ 350,000 2001

Any balance in the first year does not cancel but is available in the second year.

Sec. 13. REPEALER.

Minnesota Statutes 1998, section 124D.53, subdivision 6, is repealed.

ARTICLE 5

RESOURCE AND REFERRAL PROGRAMS

Section 1. Minnesota Statutes 1998, section 119B.01, subdivision 1, is amended to read:

Subdivision 1. **SCOPE.** For the purposes of ~~sections 119B.01 to 119B.19~~ this chapter, the following terms have the meanings given.

New language is indicated by underline, deletions by strikeout.

Sec. 2. Minnesota Statutes 1998, section 119B.01, is amended by adding a subdivision to read:

Subd. 18. **LEGAL NONLICENSED CHILD CARE PROVIDER.** “Legal nonlicensed child care provider” means a child care provider who is excluded from licensing requirements under section 245A.03, subdivision 2.

Sec. 3. Minnesota Statutes 1998, section 119B.19, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY DISTRIBUTION OF FUNDS FOR OPERATION OF CHILD CARE RESOURCE AND REFERRAL PROGRAMS.** The commissioner of children, families, and learning may make grants shall distribute funds to public or private nonprofit agencies organizations for the planning, establishment, expansion, improvement, or operation of child care resource and referral programs and child care services according to the provisions of under this section and may make grants to county boards to carry out the purposes of sections 119B.19 to 119B.21. The commissioner must adopt rules for programs under this section and sections 119B.20 and 119B.21. The commissioner must develop a process to fund organizations to operate child care resource and referral programs that includes application forms, timelines, and standards for renewal.

Sec. 4. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 1a. **DESIGNATION OF ORGANIZATIONS.** The commissioner shall designate an organization to administer a child care resource and referral program to serve a region.

Sec. 5. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 6. **BASIS FOR DISTRIBUTING FUNDS.** (a) The commissioner shall distribute funds for the administration of child care resource and referral programs based on the following factors for each region:

- (1) the region served by the program;
 - (2) the number of children under the age of 13 years needing child care;
 - (3) the ratio of children under the age of 13 years needing child care to the number of licensed spaces;
 - (4) the number of licensed child care providers and school-age care programs; and
 - (5) other related factors determined by the commissioner.
- (b) The commissioner may provide ongoing funding to a designated organization for a child care resource and referral program that continues to meet state standards.

Sec. 6. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 6a. **LOCAL MATCH REQUIREMENT.** A local match of 25 percent is required.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 7. Minnesota Statutes 1998, section 119B.19, is amended by adding a subdivision to read:

Subd. 7. CHILD CARE RESOURCE AND REFERRAL PROGRAMS. Within each region, a child care resource and referral program must:

- (1) maintain one database of all existing child care resources and services and one database of family referrals;
- (2) provide a child care referral service for families;
- (3) develop resources to meet the child care service needs of families;
- (4) increase the capacity to provide culturally responsive child care services;
- (5) coordinate professional development opportunities for child care and school-age care providers;
- (6) administer and award child care services grants;
- (7) administer and provide loans for child development education and training; and
- (8) cooperate with the Minnesota Child Care Resource and Referral Network and its member programs to develop effective child care services and child care resources.

Sec. 8. Minnesota Statutes 1998, section 119B.20, subdivision 7, is amended to read:

Subd. 7. FACILITY IMPROVEMENT EXPENSES. "Facility improvement expenses" means funds for building the cost of improvements, equipment, appropriate technology and software, toys, and supplies needed to establish, expand, or improve a licensed child care facility or a child care program under the jurisdiction of a local district school board of education.

Sec. 9. Minnesota Statutes 1998, section 119B.20, subdivision 8, is amended to read:

Subd. 8. INTERIM FINANCING. "Interim financing" means funds to carry out such funding for up to 18 months:

- (1) for activities as that are necessary for family day care homes, group family day care homes, and child care centers to receive and maintain state child care licensing;;
- (2) to expand an existing child care program or to improve program quality; and
- (3) to provide operating funds operate for a period of six consecutive months after a family day care home, group family day care home, or child care center facility becomes licensed or satisfies standards of the state board of education. Interim financing may not exceed a period of 18 months.

Sec. 10. Minnesota Statutes 1998, section 119B.20, subdivision 12, is amended to read:

Subd. 12. TRAINING PROGRAM. "Training program" means child development courses offered by an accredited post-secondary institution or similar training approved by a county board or the department of children, families, and learning commis-

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sioner. To qualify as a training program under this section, a course of study must teach A training program must be a course of study that teaches specific skills that to meet licensing requirements or requirements of the state board of education.

Sec. 11. Minnesota Statutes 1998, section 119B.20, is amended by adding a subdivision to read:

Subd. 13. REGION. "Region" means a region designated by the governor under section 462.385.

Sec. 12. Minnesota Statutes 1998, section 119B.21, subdivision 1, is amended to read:

Subdivision 1. GRANTS ESTABLISHED DISTRIBUTION OF GRANT FUNDS. (a) The commissioner shall award grants to develop child care services, including child care service development grants for start-up and facility improvement expenses, interim financing, staff training expenses, and grants for child care resource and referral programs. Child care service development grants may include family child care technical assistance awards up to \$1,000, distribute funds to the child care resource and referral programs designated under section 119B.19, subdivision 1a, for child care services grants under subdivision 5 and family child care technical assistance grants under subdivision 10.

(b) Up to ten percent of funds appropriated for grants under this section may be used by the commissioner for statewide child care development initiatives, training initiatives, collaboration programs, and research and data collection. The commissioner shall develop eligibility guidelines and a grant application form, inform county social service agencies about the availability of child care services grants, and set a date by which applications must be received by the commissioner process to distribute funds under this paragraph. Child care resource and referral programs may apply for funding under this paragraph.

Sec. 13. Minnesota Statutes 1998, section 119B.21, subdivision 2, is amended to read:

Subd. 2. DISTRIBUTION OF BASIS FOR DISTRIBUTING GRANT FUNDS. (a) At least 90 percent of funds appropriated for grants under this section may be distributed by the commissioner shall allocate grant money appropriated to child care resource and referral programs under section 119B.19, subdivision 1a, for child care service development among the development regions designated by the governor under section 462.385, considering services grants and family child care technical assistance grants based on the following factors for each economic development region:

- (1) the number of children under 13 years of age needing child care in the service area region;
- (2) the geographic area region served by the agency program;
- (3) the ratio of children under 13 years of age needing child care to the number of licensed spaces in the service area region;
- (4) the number of licensed child care providers and extended day school-age child care programs in the service area region; and

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(5) other related factors determined by the commissioner.

(b) ~~Out of the amount allocated for each economic development region, the commissioner shall award grants and child care technical assistance grants based on the recommendation of the child care regional advisory proposal review committees under subdivision 3. In addition, the commissioner shall award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses.~~

(c) ~~Any funds unobligated may be used by the commissioner to award grants to proposals that received funding recommendations by the regional advisory committees but were not awarded due to insufficient funds.~~

(d) ~~The commissioner may allocate grants distribute funds under this section for a two-year period and may carry forward funds from the first year as necessary.~~

Sec. 14. Minnesota Statutes 1998, section 119B.21, subdivision 3, is amended to read:

Subd. 3. **CHILD CARE REGIONAL ADVISORY PROPOSAL REVIEW COMMITTEES.** (a) Child care regional advisory proposal review committees shall must establish regional priorities and review and make recommendations to the commissioner on applications for family child care technical assistance awards grants and service development child care services grants under this section. The commissioner and make funding recommendations to the child care resource and referral program designated under section 119B.19, subdivision 1a. Within each region, the committee must allocate available funding between child care services grants and child care technical assistance grants. The committee must also allocate funding for child care services grants for facility financing purposes and provider training purposes. The child care regional proposal review committees must complete their reviews and forward their recommendations to the child care resource and referral program by the date specified by the commissioner.

(b) A child care resource and referral program shall appoint establish a process to select members of the child care regional advisory committees in each governor's economic development region proposal review committee. People appointed under this subdivision Members must represent the following constituent groups: family child care providers, group child care center providers, parent users school-age care providers, parents who use child care services, health services, social services, public schools, Head Start, employers, and other citizens with demonstrated interest in child care issues. Members of the advisory task force proposal review committee with a direct financial interest in a pending grant proposal may not provide a recommendation or participate in the ranking of that grant proposal.

(c) The child care resource and referral program may reimburse committee members may be reimbursed for their actual travel, child care, and child care provider substitute expenses for up to six committee meetings per year. The child care regional advisory committees shall complete their reviews and forward their recommendations to the commissioner by the date specified by the commissioner. The program may also pay a stipend to parent representatives for participating in up to six meetings per year.

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Sec. 15. Minnesota Statutes 1998, section 119B.21, subdivision 5, is amended to read:

Subd. 5. **PURPOSES FOR WHICH A CHILD CARE SERVICES GRANT MAY BE AWARDED SERVICES GRANTS.** ~~The commissioner~~ A child care resource and referral program designated under section 119B.19, subdivision 1a, may award child care services grants for:

(1) ~~child care service development grants for the following purposes:~~

~~(i) for creating new licensed day child care facilities and expanding existing facilities, including, but not limited to, supplies, equipment, facility renovation, and remodeling;~~

~~(ii) for (2) improving licensed day child care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling;~~

~~(iii) for supportive child (3) staff training and development services including, but not limited to, in-service training, curriculum development, accreditation, certification, consulting specialist, resource centers, and program and resource materials;~~

~~(iv) for carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training;~~

~~(v) for (4) interim financing;~~

~~(vi) family child care technical assistance awards; and~~

~~(vii) for (5) capacity building through the purchase of appropriate technology and software, and staff training to create, enhance, and maintain financial systems for facilities;~~

~~(2) child care resource and referral program services identified in section 119B.19, subdivision 3; or~~

~~(3) targeted recruitment initiatives to expand and build capacity of the child care system to create, enhance, and maintain business management systems;~~

~~(6) emergency assistance for child care programs;~~

~~(7) new programs or projects for the creation, expansion, or improvement of programs that serve ethnic immigrant and refugee communities; and~~

~~(8) targeted recruitment initiatives to expand and build the capacity of the child care system and to improve the quality of care provided by legal nonlicensed child care providers.~~

Sec. 16. Minnesota Statutes 1998, section 119B.21, subdivision 8, is amended to read:

Subd. 8. **ELIGIBLE GRANT RECIPIENTS.** Eligible recipients of A child care resource and referral program designated under section 119B.19, subdivision 1a, may award child care services grants are to:

(1) licensed providers of child care, or those;

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- (2) providers in the process of being licensed, resource and referral programs, or;
- (3) corporations or public agencies, that develop or provide child care services;
- (4) school-age care programs; or
- (5) any combination thereof of clauses (1) to (4).

Unlicensed providers are only eligible for grants under subdivision 5, clause (7).

Sec. 17. Minnesota Statutes 1998, section 119B.21, subdivision 9, is amended to read:

Subd. 9. **GRANT MATCH REQUIREMENTS.** A recipient of a child care grants services grant for facility improvements, interim financing, resource and referral, and or staff training and development require must provide a 25 percent local match by the grant applicant. A local match is not required for a family child care technical assistance award.

Sec. 18. Minnesota Statutes 1998, section 119B.21, subdivision 10, is amended to read:

Subd. 10. **FAMILY CHILD CARE TECHNICAL ASSISTANCE AWARDS GRANTS.** (a) A child care resource and referral organization designated under section 119B.19, subdivision 1a, may award technical assistance awards for child care service development must be used by the family child care provider grantee grants of up to \$1,000. These grants may be used for:

- (1) facility improvements, including, but not limited to, improvements to meet licensing requirements;
- (2) improvements to expand the a child care facility, or program;
- (3) toys and equipment;
- (4) technology and software to create, enhance, and maintain business management systems;
- (5) start-up costs, interim financing, or;
- (6) staff training and development; and
- (7) other uses approved by the commissioner.

(b) A child care resource and referral program may award family child care technical assistance grants to:

- (1) licensed family child care providers; or
- (2) child care providers in the process of becoming licensed.

(c) A local match is not required for a family child care technical assistance grant.

Sec. 19. Minnesota Statutes 1998, section 119B.21, subdivision 11, is amended to read:

Subd. 11. **STATEWIDE ADVISORY TASK FORCE.** The commissioner may convene a statewide advisory task force which shall to advise the commissioner on state-

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wide grants or other child care issues. The following constituent groups must be represented: family child care providers, child care center programs, school-age care providers, parent users parents who use child care services, health services, social services, Head Start, public schools, employers, and other citizens with demonstrated interest in child care issues. Each regional grant review committee formed under subdivision 3, shall appoint a representative to the advisory task force. Additional members may be appointed by the commissioner. The commissioner may convene meetings of the task force as needed. Terms of office and removal from office are governed by the appointing body. The commissioner may compensate members for their travel, child care, and child care provider substitute expenses for attending task force meetings of the task force. The commissioner may also pay a stipend to parent representatives for participating in task force meetings.

Sec. 20. Minnesota Statutes 1998, section 119B.23, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY.** In addition to the commissioner's authority to make child care services grants, The county board is authorized to provide child care services, or to make grants from the community social service fund, special tax revenue, or its general fund, or other sources to any municipality, or corporation, or combination thereof, for the cost of providing technical assistance and or child care services. The county board is also authorized to contract for services with any licensed day child care facility, as the board deems necessary or proper to carry out the purposes of this section.

The county board may also make grants to or contract with any municipality, licensed child care facility, or resource and referral program organization designated under section 119B.19, subdivision 1a, or corporation or combination thereof, for any of the following purposes:

(1) creating new licensed day child care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(2) improving licensed day child care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. In awarding grants for training, counties must give, with priority to for training grants for child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) providing supportive child development services, including, but not limited to, in-service training, curriculum development, consulting specialists, resource centers, and program and resource materials;

(4) carrying out programs, including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) providing interim financing; and or

(6) carrying out the resource and referral program services identified in section 119B.19, subdivision 3 7.

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Sec. 21. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<u>A</u>	<u>B</u>
<u>119B.01, subd. 1</u>	<u>119B.011, subd. 1</u>
<u>119B.01, subd. 2</u>	<u>119B.011, subd. 3</u>
<u>119B.01, subd. 3</u>	<u>119B.011, subd. 7</u>
<u>119B.01, subd. 4</u>	<u>119B.011, subd. 4</u>
<u>119B.01, subd. 5</u>	<u>119B.011, subd. 8</u>
<u>119B.01, subd. 6</u>	<u>119B.011, subd. 5</u>
<u>119B.01, subd. 7</u>	<u>119B.011, subd. 9</u>
<u>119B.01, subd. 7a</u>	<u>119B.011, subd. 10</u>
<u>119B.01, subd. 8</u>	<u>119B.011, subd. 11</u>
<u>119B.01, subd. 9</u>	<u>119B.011, subd. 12</u>
<u>119B.01, subd. 10</u>	<u>119B.011, subd. 13</u>
<u>119B.01, subd. 11</u>	<u>119B.011, subd. 14</u>
<u>119B.01, subd. 12</u>	<u>119B.011, subd. 17</u>
<u>119B.01, subd. 12a</u>	<u>119B.011, subd. 18</u>
<u>119B.01, subd. 13</u>	<u>119B.011, subd. 20</u>
<u>119B.01, subd. 14</u>	<u>119B.011, subd. 19</u>
<u>119B.01, subd. 15</u>	<u>119B.011, subd. 2</u>
<u>119B.01, subd. 16</u>	<u>119B.011, subd. 24</u>
<u>119B.01, subd. 17</u>	<u>119B.011, subd. 6</u>
<u>119B.01, subd. 18</u>	<u>119B.011, subd. 16</u>
<u>119B.18, subd. 3</u>	<u>119B.211</u>
<u>119B.20, subd. 7</u>	<u>119B.189, subd. 1</u>
<u>119B.20, subd. 8</u>	<u>119B.189, subd. 2</u>
<u>119B.20, subd. 12</u>	<u>119B.189, subd. 4</u>
<u>119B.20, subd. 13</u>	<u>119B.201, subd. 3</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (a)</u>	<u>para. (c)</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (b)</u>	<u>para. (d)</u>
<u>119B.21, subd. 2,</u>	<u>119B.21, subd. 1,</u>
<u>para. (d)</u>	<u>para. (e)</u>
<u>119B.21, subd. 5</u>	<u>119B.21, subd. 5,</u>
	<u>para. (a)</u>
<u>119B.21, subd. 8</u>	<u>119B.21, subd. 5,</u>
	<u>para. (b)</u>
<u>119B.21, subd. 9</u>	<u>119B.21, subd. 5,</u>
	<u>para. (c)</u>

Sec. 22. **REPEALER.**

Minnesota Statutes 1998, sections 119B.18, subdivisions 1 and 2; 119B.19, subdivisions 3, 4, and 5; 119B.20, subdivisions 1, 2, 3, 4, 5, 6, 9, 10, and 11; 119B.21, subdivisions 4, 6, and 12; and 119B.22, are repealed.

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Presented to the governor May 21, 1999

Signed by the governor May 25, 1999, 3:45 p.m.

CHAPTER 206—H.F.No. 1825

An act relating to gambling; allowing a class B licensee of a class A racetrack to conduct card club activities; expanding the use of pull-tab dispensing machines; making technical changes; setting forth conduct of raffles; modifying progressive bingo prizes; specifying maximum tipboard prizes; amending Minnesota Statutes 1998, sections 240.01, by adding subdivisions; 240.07, subdivision 3; 240.10; 240.25, subdivision 8; 349.151, subdivision 4b; 349.1711, by adding a subdivision; and 349.211, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 240; and 349.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 24. CARD CLUB. "Card club" means a facility or portion of a facility where the commission has authorized a licensee to conduct card playing.

Sec. 2. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 25. CARD PLAYING. "Card playing" means an activity wherein individuals compete and wager with each other utilizing a 52-unit system comprised of a series of numbers, numbered two through ten, and the letters J, Q, K, and A, combined with four symbols commonly known as hearts, diamonds, spades, and clubs, wherein each individual unit constitutes the display of one of the 52 possible combinations. The symbol commonly known as a joker may be incorporated into the system.

Sec. 3. Minnesota Statutes 1998, section 240.01, is amended by adding a subdivision to read:

Subd. 26. UNBANKED. "Unbanked" means a wagering system or game where the individual participants compete against each other and not against the sponsor or house. In an unbanked system or game, the sponsor or house may deduct a percentage from the accumulated wagers and impose other charges for hosting the activity, but does not have an interest in the outcome of a game. The sponsor or house may add additional prizes, awards, or money to any game for promotional purposes.

Sec. 4. Minnesota Statutes 1998, section 240.07, subdivision 3, is amended to read:

Subd. 3. LICENSE ISSUANCE. (a) If after considering the information received from the hearing and investigations, the commission determines that the applicant will conduct horse racing in accordance with all applicable laws and rules, will not adversely affect the public health, welfare, and safety, that the license will not create a competitive situation that will adversely affect racing and the public interest and that the applicant is fit to sponsor and manage racing, the commission may issue a class B license.

New language is indicated by underline, deletions by ~~strikeout~~.